

FORTY-FOURTH DAY

St. Paul, Minnesota, Thursday, April 30, 1981

The Senate met at 9:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Frederick O. Atkinson.

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

Ashbach	Dicklich	Kronebusch	Penny	Sikorski
Bang	Dieterich	Langseth	Peterson, C.C.	Solon
Belanger	Engler	Lantry	Peterson, D.L.	Spear
Benson	Frank	Lessard	Peterson, R.W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Taylor
Bertram	Humphrey	Merriam	Ramstad	Tennessee
Brataas	Johnson	Moe, D.M.	Renneke	Ulland
Chmielewski	Keefe	Moe, R.D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	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

Mr. Hughes was excused from the Session of today. Mr. Sieloff was excused from this morning's Session.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives
The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 preser-

vation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	349	54	April 28	April 28
	521	55	April 28	April 28
263		56	April 28	April 28

Sincerely,

Joan Anderson Growe
Secretary of State

April 29, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 642 and 718.

Sincerely yours,

Albert H. Quie, Governor

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. 1057, 149, 182, 218 and 329.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 29, 1981

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. 3: A House concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 29, 1981

Mr. Hanson moved that House Concurrent Resolution No. 3 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. 79.

H. F. No. 79: A bill for an act relating to commerce; providing for the regulation and licensing of precious metal dealers; establishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies; amending Minnesota Statutes 1980, Section 609.53, Subdivision 4, and by adding subdivi-

sions; proposing new law coded in Minnesota Statutes, Chapter 325F.

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

Pogemiller, Vanasek and Blatz have been appointed as such committee on the part of the House.

House File No. 79 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 April 29, 1981

Mr. Petty moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 79, 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. 157.

H. F. No. 157: A bill for an act relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare; amending Minnesota Statutes 1980, Section 257.33.

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

Hokanson; Clark, J. and Zubay have been appointed as such committee on the part of the House.

House File No. 157 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 April 29, 1981

Mr. Hanson moved that H. F. No. 157 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. 326.

H. F. No. 326: A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1980, Sections 62E.52, Subdivisions 2 and 3; 62E.53, Subdivisions 1 and 2; and 62E.531, Subdivision 2.

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

Swanson; Carlson, L. and Reif have been appointed as such committee on

the part of the House.

House File No. 326 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 April 29, 1981

Mr. Hanson moved that H. F. No. 326 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. 969.

H. F. No. 969: A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, Subdivision 2.

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

Voss, Schreiber and McCarron have been appointed as such committee on the part of the House.

House File No. 969 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 April 29, 1981

Mr. Hanson moved that H. F. No. 969 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. 515, 217, 668, 691 and 1446.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 29, 1981

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 coroners; eliminating the requirement of filing a certificate of no inquest; amending Minnesota Statutes 1980, Section 390.17.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 656, now on General Orders.

H. F. No. 217: A bill for an act relating to state trails; authorizing the sale or conveyance of certain lands acquired for the Luce Line Trail and certain other lands acquired for trail purposes; reducing the selling price on the sale of

certain state owned trail land in Fillmore County.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1055, now on General Orders.

H. F. No. 668: A resolution memorializing the President and Congress to design the 1981 farm bill so as to protect the family farm system.

Referred to the Committee on Rules and Administration.

H. F. No. 691: A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sections 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1211, now on General Orders.

H. F. No. 1446: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

Mr. Moe, R. D. moved that H. F. No. 1446 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 715: A bill for an act relating to counties; making state land subject to county land use planning and zoning; amending Minnesota Statutes 1980, Section 394.24, Subdivision 3.

Reports the same back with the recommendation that the report from the Committee on Local Government and Urban Affairs shown in the Journal for April 13, 1981, be amended to read:

"The bill be re-referred to the Committee on Agriculture and Natural Resources." Report adopted.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was re-referred

S. F. No. 1101: A bill for an act relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; amending Minnesota Statutes 1980, Sections 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; repealing Minnesota Statutes 1980, Section 362.50, Subdivisions 6 and 7.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Finance. Report adopted.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was re-referred

S. F. No. 446: A bill for an act relating to the legislature; changing the membership and manner of appointment of certain committees and commissions with legislative members; amending Minnesota Statutes 1980, Sections 3.30, Subdivision 2; 15.50, Subdivision 1; 16.872, Subdivision 3; and 121.938, Subdivision 1.

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

Page 2, line 34, delete "11" and insert "12"

Page 2, line 35, strike "Three" and insert "Four"

Page 3, line 27, reinstate the stricken "15" and delete "17"

Page 4, line 6, strike "four" and insert "two"

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was-referred

H. F. No. 126 for comparison with 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.
126	415				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 126 be amended as follows:

Page 1, line 26, delete "Subd. 3. [ACCESS POINTS.]"

Page 1, line 27, before "public" insert "the"

Page 1, lines 27 and 28, delete "containing an aeration system"

Page 1, line 28, delete "and other areas"

Page 2, line 1, delete "commonly used by the public for access to the lake"

Page 2, line 4, delete "4" and insert "3"

Page 2, line 12, delete "5" and insert "4"

Delete sections 2 and 3

Amend the title as follows:

Page 1, lines 5 to 9, delete "changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1;"

And when so amended H. F. No. 126 will be identical to S. F. No. 415, and further recommends that H. F. No. 126 be given its second reading and substituted for S. F. No. 415, 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. 1390 and 446 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. No. 126 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Langseth, for Mr. Hughes, moved that H. F. No. 70 be withdrawn from the Committee on Education and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. Petty moved that the name of Mr. Frank be added as co-author to S. F. No. 729. The motion prevailed.

Mr. Solon moved that the name of Mr. Vega be added as co-author to S. F. No. 793. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Peterson, D.L. in the chair.

After some time spent therein, the committee arose, and Mr. Peterson, D. L. reported that the committee had considered the following:

S. F. No. 64 and H. F. Nos. 211, 443 and 634, which the committee recommends to pass.

S.F. No. 22, which the committee recommends be returned to the Committee on Commerce, subject to the following motion:

Mr. Davies moved to amend S. F. No. 22 as follows:

Pages 2 to 4, delete sections 2 to 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "requiring the suspension of licenses of"

Page 1, delete line 7

Page 1, line 9, delete "; proposing new law coded in" and insert a period

Page 1, delete line 10

The motion prevailed. So the amendment was adopted.

H. F. No. 131, which the committee reports progress, subject to the following motion:

Mr. Hanson moved to amend H. F. No. 131, as amended pursuant to Rule 49, adopted by the Senate April 8, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 154.)

Page 1, line 17, after "releasing" insert "the information specified below"

Page 1, line 21, delete "any of" and insert ". This subdivision applies to"

Page 2, line 11, after the comma, insert "which request is"

Page 2, line 12, delete "with" and insert "by"

Page 2, line 12, delete "photostatic"

Page 2, line 13, delete "shall" and insert "is"

Page 2, line 13, delete "be"

Page 2, line 17, delete the comma

Page 2, line 18, delete the comma

Page 2, line 21, delete ", if closed,"

Page 2, line 21, delete "of closing" and insert "it was closed or restricted"

Page 2, line 27, delete "shall" and insert "are"

Page 2, line 27, delete "be"

Page 2, line 31, delete "issuer's"

Page 2, delete lines 33 to 36 and insert "money."

Page 3, delete line 1

Page 3, line 8, delete "the"

Page 3, line 8, after "or" insert "to"

The motion prevailed. So the amendment was adopted.

H. F. No. 131 was then progressed.

H. F. No. 932, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Strike the Rule 49 amendment adopted by the Senate April 27, 1981, and amend H. F. No. 932 as follows:

Page 54, line 13, delete "new" and insert "net"

Page 121, line 13, strike "returned" and insert "reported"

The motion prevailed. So the amendment was adopted.

H. F. No. 486, which the committee recommends to pass, subject to the following motion:

Mr. Spear moved that the amendment made to H. F. No. 486 by the Committee on Rules and Administration in the report adopted April 15, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S. F. No. 43, which the committee reports progress, subject to the following motion:

Mr. Davies moved to amend S. F. No. 43 as follows:

Page 1, line 24, before "A" insert "*In the case of*"

Page 1, line 25, after the first "*claimant*" insert "*, the rule of joint liability is limited so that the person*"

The motion prevailed. So the amendment was adopted.

S. F. No. 43 was then progressed.

H. F. No. 624, which the committee recommends to pass with the following amendments offered by Messrs. Menning and Davies:

Mr. Menning moved to amend H. F. No. 624, as amended pursuant to Rule 49, adopted by the Senate April 9, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 509.)

Page 5, delete sections 5 and 6

Page 15, line 13, delete "23" and insert "21"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 11 and 12, delete "241.64, Subdivisions 1 and 2;"

The motion prevailed. So the amendment was adopted.

Mr. Dicklich moved to amend H. F. No. 624, as amended pursuant to Rule 49, adopted by the Senate April 9, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 509.)

Page 8, line 33, after "board" insert "*by a majority vote of its members*"

Page 9, line 22, strike "unanimous consent" and insert "*a majority vote of the members*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 8 and nays 42, as follows:

Those who voted in the affirmative were:

Davies	Dieterich	Nelson	Petty	Spear
Dicklich	Moe, D. M.	Peterson, R. W.		

Those who voted in the negative were:

Belanger	Frank	Lessard	Peterson, D. L.	Taylor
Benson	Frederick	Lindgren	Pillsbury	Ulland
Berg	Frederickson	Luther	Purfeerst	Vega
Bernhagen	Keefe	Menning	Ramstad	Waldorf
Bertram	Knutson	Merriam	Renneke	Wegener
Brataas	Kroening	Othoft	Rued	Willet
Chmielewski	Kronebusch	Pehler	Schmitz	
Dahl	Langseth	Penny	Stern	
Davis	Lantry	Peterson, C. C.	Stokowski	

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

Mr. Davies moved to amend H. F. No. 624, as amended pursuant to Rule 49, adopted by the Senate April 9, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 509.)

Page 2, line 30, after "died" insert "*, been released*"

Page 2, line 31, before "or" strike the comma

Page 3, line 15, after "died" insert "*, been released*"

The motion prevailed. So the amendment was adopted.

H. F. No. 28, which the committee reports progress, subject to the following motion:

Mr. Bernhagen moved to amend H. F. No. 28, the unofficial engrossment, as follows:

Page 2, line 28, delete "*, but*" and insert "*. 'Pension or investment fund'*"

Page 2, line 28, after "*a*" insert "*family trust, benevolent trust, or*"

Page 3, line 6, before the semicolon insert "*, including a mortgage on real property taken to secure a participation loan or advance of credit by a financial institution or an insurance company*"

The motion prevailed. So the amendment was adopted.

H. F. No. 28 was then progressed.

H. F. No. 829, which the committee recommends to pass, subject to the following motions:

Mr. Frank moved that the amendment made to H. F. No. 829 by the Committee on Local Government and Urban Affairs in the report adopted April 8, 1981, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Merriam moved to amend H. F. No. 829 as follows:

Page 1, after line 14, insert:

"Sec. 2. Minnesota Statutes 1980, Section 375.03, is amended to read:

375.03 [TERM OF COMMISSIONERS.]

In each new county, and in each county which shall be entitled to an increase of the number of commissioners, there shall be elected at the next general election a commissioner from each odd-numbered district for a term of two years, and one from each even-numbered district for a term of four years; *except that the county commissioners elected at the most recent general election shall continue to serve for their entire four year term, provided that there are not two county commissioners residing in the same district*; and thereafter all commissioners shall be elected for a term of four years, except that elections to fill vacancies shall be for the unexpired term only. In counties having a population of more than 150,000, every such commissioner, before he enters upon his duties, shall give bond to the state in the sum of \$10,000, with a legally authorized surety company as surety, conditioned for the faithful performance of his official duties. Such bond shall be approved by a judge of the

district court, and together with his oath of office and certificate of election, be filed with the county recorder. The premium on the bond shall not exceed that prescribed by law for county treasurers, and shall be paid by the county."

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 3, after "commissioners;" insert "setting terms;"

Page 1, line 4, delete "Section" and insert "Sections"

Page 1, line 4, before the period, insert "; and 375.03"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass H. F. No. 829.

The roll was called, and there were yeas 28 and nays 22, as follows:

Those who voted in the affirmative were:

Berglin	Humphrey	Merriam	Setzepfandt	Tennesen
Bertram	Kroening	Moe, D. M.	Sikorski	Vega
Dahl	Langseth	Nelson	Spear	Waldorf
Davies	Lantry	Pehler	Stern	Wegener
Davis	Lessard	Peterson, C. C.	Stokowski	
Frank	Luther	Petty	Stumpf	

Those who voted in the negative were:

Ashbach	Dieterich	Kronebusch	Pillsbury	Taylor
Belanger	Frederick	Lindgren	Purfeerst	Ulland
Benson	Frederickson	Olhoft	Ramstad	
Berg	Keefe	Peterson, D. L.	Renneke	
Brataas	Knutson	Peterson, R. W.	Rued	

The motion prevailed. So H. F. No. 829 was recommended to pass.

H. F. No. 407, which the committee recommends to pass with the following amendment offered by Mr. Stern:

Page 1, line 12, after "of" insert "*and is within the coverage of*"

Page 1, line 13, before the semicolon, insert "*if such insurer becomes an insolvent insurer after the effective date of this act*"

Page 2, after line 12, insert:

"Sec. 2. Minnesota Statutes 1980, Section 60C.03, is amended by adding a subdivision to read:

Subd. 8. "Insolvent insurer" means an insurer licensed to transact insurance in this state, either at the time the policy was issued, or when the insured event occurred, and against whom an order of liquidation with a finding of insolvency has been entered after the effective date of this act by a court of competent jurisdiction, in the insurer's state of domicile or of this state, under the provisions of Minnesota Statutes, Chapter 60B, and which order of liquidation has not been stayed or been the subject of a writ of supersedeas or other comparable order.

Sec. 3. [REPEALER.]

Minnesota Statutes 1980, Section 60C.10, Subdivision 2, is repealed."

Amend the title as follows:

Page 1, line 5, before the period, insert “, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 60C.10, Subdivision 2”

The motion prevailed. So the amendment was adopted.

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 1:30 p.m. The motion prevailed.

The hour of 1:30 p.m. having arrived, the President called the Senate to order.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions. Under the Order of Business of Motions and Resolutions, the Senate proceeded 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.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 1391: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 16.851, by adding a subdivision; 144A.08, by adding a subdivision; 145.913, by adding a subdivision; 145.914, Subdivision 2; 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 245.802, by adding a subdivision; 245.812, by adding a subdivision; 245.84, Subdivision 2; 246.151; 246.54; 256.76, Subdivision 1; 256.87; 256.872; 256.873; 256.875; 256.877; 256B.02, Subdivision 8; 256B.03; 256B.06, Subdivision 1; 256B.08; 256B.15; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 8; 256D.03, Subdivisions 2 and 3, and by adding a subdivision; 256D.04; 256D.05, Subdivisions 1 and 4, and by adding a subdivision; 256D.06, Subdivisions 1 and 2, and by adding a subdivision; 256D.14; 260.311, Subdivision 5; 261.23; 393.07, Subdivision 10; 401.04; 401.12; 517.08, Subdivision 1b, and by adding a subdivision; 518.54, by adding subdivisions; 518.551; and 518.611; 518.64, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 144; 145; 241; 245; 256D; and 609; repealing Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11.

Under the rules of the Senate, laid over one day.

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe,

R.D. moved to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

CALENDAR

H. F. No. 1052: A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

Was read the third time 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 14, as follows:

Those who voted in the affirmative were:

Bang	Frank	Luther	Petty	Spear
Belanger	Hanson	Menning	Pillsbury	Stern
Berglin	Humphrey	Moe, D. M.	Purfeerst	Stokowski
Bernhagen	Knutson	Moe, R. D.	Renneke	Tennessen
Chmielewski	Kroening	Nelson	Rued	Vega
Dahl	Kronebusch	Olhoft	Schmitz	Waldorf
Dicklich	Langseth	Pehler	Setzepfandt	Wegener
Dieterich	Lantry	Penny	Sikorski	Willet
Engler	Lindgren	Peterson, C.C.	Solon	

Those who voted in the negative were:

Ashbach	Brataas	Frederick	Peterson, R.W.	Taylor
Benson	Davies	Frederickson	Ramstad	Uiland
Berg	Davis	Merriam	Stumpf	

So the bill passed and its title was agreed to.

S. F. No. 15: A bill for an act relating to statutes; providing a general reference for statutes that change dollar amounts to conform to price changes; proposing new law coded in Minnesota Statutes, Chapter 645.

Was read the third time 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 25, as follows:

Those who voted in the affirmative were:

Chmielewski	Knutson	Nelson	Renneke	Stokowski
Dahl	Langseth	Olhoft	Schmitz	Stumpf
Davies	Lantry	Penny	Setzepfandt	Tennessen
Davis	Lessard	Peterson, C.C.	Sikorski	Vega
Dicklich	Luther	Peterson, R.W.	Solon	Wegener
Humphrey	Merriam	Petty	Spear	Willet
Knoll	Moe, R. D.	Purfeerst	Stern	

Those who voted in the negative were:

Ashbach	Berglin	Frank	Kroening	Pillsbury
Bang	Bernhagen	Frederick	Kronebusch	Ramstad
Belanger	Brataas	Frederickson	Menning	Rued
Benson	Dieterich	Hanson	Moe, D. M.	Taylor
Berg	Engler	Johnson	Pehler	Uiland

So the bill passed and its title was agreed to.

H. F. No. 63: A bill for an act relating to health maintenance organizations; eliminating any requirements that certain health maintenance organizations provide elective, induced abortions; amending Minnesota Statutes 1980, Sections 62D.02, Subdivision 7; 62D.20; and 62D.22, 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 47 and nays 13, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Lessard	Peterson, D.L.	Stumpf
Benson	Hanson	Lindgren	Purfeerst	Taylor
Berg	Humphrey	Luther	Ramstad	Ulland
Bernhagen	Johnson	Menning	Renneke	Vega
Chmielewski	Knoll	Merriam	Rued	Waldorf
Dahl	Knutson	Moe, R. D.	Schmitz	Wegener
Davis	Kroening	Olhoft	Setzepfandt	Willet
Engler	Kronebusch	Pehler	Sikorski	
Frank	Langseth	Penny	Solon	
Frederick	Lantry	Peterson, C.C.	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Dieterich	Pillsbury	Tennessee
Bang	Davies	Nelson	Spear	
Berglin	Dicklich	Peterson, R.W.	Stern	

So the bill passed and its title was agreed to.

S. F. No. 1247: A bill for an act relating to education; permitting districts to purchase insurance coverage for the operation of leased buses in certain circumstances; amending Minnesota Statutes 1980, Section 123.39, Subdivisions 8 and 9 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:

Ashbach	Dieterich	Lantry	Peterson, D.L.	Stern
Bang	Engler	Lessard	Peterson, R.W.	Stokowski
Belanger	Frank	Lindgren	Petty	Stumpf
Benson	Frederick	Luther	Pillsbury	Taylor
Berg	Frederickson	Menning	Purfeerst	Tennessee
Berglin	Hanson	Merriam	Ramstad	Ulland
Bernhagen	Humphrey	Moe, D. M.	Renneke	Vega
Brataas	Johnson	Moe, R. D.	Rued	Waldorf
Chmielewski	Knoll	Nelson	Schmitz	Wegener
Dahl	Knutson	Olhoft	Setzepfandt	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	
Dicklich	Langseth	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

H. F. No. 462: A bill for an act relating to commerce; requiring invoices on certain repairs; amending Minnesota Statutes 1980, Sections 325F.60; and 325F.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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, C. C.	Spear
Bang	Dieterich	Lantry	Peterson, D. L.	Stern
Belanger	Engler	Lessard	Peterson, R. W.	Stokowski
Benson	Frank	Lindgren	Petty	Stumpf
Berg	Frederick	Luther	Pillsbury	Taylor
Berglin	Frederickson	Menning	Purfeerst	Tennessee
Bernhagen	Hanson	Merriam	Ramstad	Ulland
Bertram	Humphrey	Moe, D. M.	Renneke	Vega
Brataas	Johnson	Moe, R. D.	Rued	Waldorf
Chmielewski	Knoll	Nelson	Schmitz	Wegener
Dahl	Knutson	Olhoft	Setzepfandt	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 509: A bill for an act relating to commerce; requiring disclosure in motor vehicle transactions; proposing new law coded in Minnesota Statutes, Chapter 168.

With the unanimous consent of the Senate, Mr. Petty moved to amend H. F. No. 509, the unofficial engrossment, as follows:

Page 2, line 3, before the period, insert "*prior to the purchaser taking possession of the motor vehicle*"

The motion prevailed. So the amendment was adopted.

H. F. No. 509 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, C. C.	Spear
Bang	Dieterich	Lantry	Peterson, D. L.	Stern
Belanger	Engler	Lessard	Peterson, R. W.	Stokowski
Benson	Frank	Lindgren	Petty	Stumpf
Berg	Frederick	Luther	Pillsbury	Taylor
Berglin	Frederickson	Menning	Purfeerst	Tennessee
Bernhagen	Hanson	Merriam	Ramstad	Ulland
Bertram	Humphrey	Moe, D. M.	Renneke	Vega
Brataas	Johnson	Moe, R. D.	Rued	Waldorf
Chmielewski	Knoll	Nelson	Schmitz	Wegener
Dahl	Knutson	Olhoft	Setzepfandt	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	

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

H. F. No. 121: A bill for an act relating to intoxicating liquor; authorizing the sale and dispensing of liquor at the I.R.A. arena in Grand Rapids.

Was read the third time 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 7, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Kronebusch	Peterson, D. L.	Spear
Belanger	Engler	Langseth	Peterson, R. W.	Stern
Benson	Frank	Lantry	Petty	Stokowski
Berg	Frederick	Lessard	Pillsbury	Stumpf
Berglin	Frederickson	Lindgren	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Ramstad	Tennessee
Bertram	Humphrey	Merriam	Rued	Ulland
Brataas	Johnson	Moe, D. M.	Schmitz	Vega
Dahl	Knoll	Moe, R. D.	Setzepfandt	Waldorf
Davis	Knutson	Nelson	Sikorski	Wegener
Dicklich	Kroening	Penny	Solon	Willet

Those who voted in the negative were:

Chmielewski	Menning	Pehler	Peterson, C. C.	Renneke
Davies	Olhoft			

So the bill passed and its title was agreed to.

S. F. No. 1087: A bill for an act relating to insurance; providing for the examination of certain insurers; requiring certain reports and providing certain alternatives to examinations; authorizing the commissioner to promulgate rules; broadening the commissioner's power to revoke or suspend certificates of authority; expanding certain insurers' investment authority; allowing the commissioner to regulate an insurer's ratio of qualified assets to required liabilities; broadening the coverage of the financial statement requirement; providing for annual audits; providing standards for the investment of assets of insurance companies; allowing the use of certain depositories and systems; providing certain limitations on the acquisition of specified investments and holdings; providing for miscellaneous changes and clarifications; amending Minnesota Statutes 1980, Sections 60A.031, Subdivisions 1, 3, 4, 5, and by adding subdivisions; 60A.05; 60A.11, by adding subdivisions; 60A.13, Subdivisions 1 and 6, and by adding subdivisions; 61A.28, Subdivisions 2, 3, and 6; 61A.282; 61A.29, Subdivision 2; 61A.30; 61A.31, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapters 60A and 61A; repealing Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2 to 8.

Was read the third time 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 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lessard	Peterson, R. W.	Stokowski
Bang	Dieterich	Lindgren	Petty	Stumpf
Belanger	Engler	Luther	Pillsbury	Taylor
Benson	Frank	Menning	Purfeerst	Tennessee
Berg	Frederick	Merriam	Ramstad	Ulland
Berglin	Frederickson	Moe, D. M.	Renneke	Vega
Bernhagen	Hanson	Moe, R. D.	Rued	Waldorf
Bertram	Humphrey	Nelson	Schmitz	Wegener
Brataas	Johnson	Olhoft	Setzepfandt	Willet
Chmielewski	Knutson	Pehler	Sikorski	
Dahl	Kronebusch	Penny	Solon	
Davies	Langseth	Peterson, C. C.	Spear	
Davis	Lantry	Peterson, D. L.	Stern	

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

RECONSIDERATION

Mr. Peterson, C.C. moved that the vote whereby H. F. No. 63 was passed by the Senate on April 30, 1981, be now reconsidered. The motion prevailed.

H. F. No. 63: A bill for an act relating to health maintenance organizations; eliminating any requirements that certain health maintenance organizations provide elective, induced abortions; amending Minnesota Statutes 1980, Sections 62D.02, Subdivision 7; 62D.20; and 62D.22, Subdivision 5.

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:

Belanger	Frederick	Lantry	Peterson, C.C.	Stokowski
Benson	Frederickson	Lessard	Peterson, D.L.	Stumpf
Berg	Hanson	Lindgren	Purfeerst	Taylor
Bernhagen	Humphrey	Luther	Ramstad	Ulland
Bertram	Johnson	Menning	Renneke	Vega
Chmielewski	Knoll	Merriam	Rued	Waldorf
Dahl	Knutson	Moe, R. D.	Schmitz	Wegener
Davis	Kroening	Olhoft	Setzepfandt	Willet
Engler	Kronebusch	Pehler	Sikorski	
Frank	Langseth	Penny	Solon	

Those who voted in the negative were:

Bang	Davies	Moe, D. M.	Petty	Stern
Berglin	Dicklich	Nelson	Pillsbury	Tennessee
Brataas	Dieterich	Peterson, R. W.	Spear	

So the bill passed and its title was agreed to.

RECONSIDERATION

Mr. Moe, R.D. moved that the vote whereby S. F. No. 1164 failed to pass the Senate on April 28, 1981, be now reconsidered.

S. F. No. 1164: A bill for an act relating to crimes; providing for review of sentences imposed prior to adoption of sentencing guidelines; proposing new law coded in Minnesota Statutes, Chapter 244.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 38 and nays 21, as follows:

Those who voted in the affirmative were:

Berglin	Humphrey	Merriam	Purfeerst	Stumpf
Dahl	Johnson	Moe, D. M.	Schmitz	Tennessee
Davies	Knoll	Moe, R. D.	Setzepfandt	Vega
Davis	Knutson	Nelson	Sikorski	Waldorf
Dicklich	Langseth	Penny	Solon	Wegener
Dieterich	Lantry	Peterson, R. W.	Spear	Willet
Frank	Lessard	Petty	Stern	
Hanson	Luther	Pillsbury	Stokowski	

Those who voted in the negative were:

Bang	Bertram	Kronebüsch	Peterson, D.L.	Ulland
Belanger	Engler	Lindgren	Ramstad	
Benson	Frederickson	Menning	Renneke	
Berg	Keefe	Olhoft	Rued	
Bernhagen	Kroening	Pehler	Taylor	

The motion prevailed.

Mr. Spear moved that S. F. No. 1164 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H. F. No. 1443 be taken from the table. The motion prevailed.

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. 1443 and that the rules of the Senate be so far suspended as to give H. F. No. 1443 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1443: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative 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; creating a department of planning, energy and development; transferring all the functions of the state planning agency, energy agency, and department of economic development, and the staff of the crime control planning board, to the department of planning, energy and development; abolishing the state planning agency, energy agency, and department of economic development; creating an advisory committee on energy policy development; amending Minnesota Statutes 1980, Sections 3.3005, Subdivision 3; 3.304, by adding a subdivision; 3.922, Subdivision 1; 4.10; 4.11, Subdivisions 4, 5 and 8; 4.12; 4.125; 4.13; 4.17; 4.18, Subdivision 2; 4.191; 4.26, Subdivision 1; 4.27; 4.29; 4.35; 4.36, Subdivisions 2, 3, 4, and 5; 9.061, Subdivision 5; 15.01; 15.057; 15.50, Subdivision 2; 15A.081, Subdivision 1; 16.014, Subdivision 1; 16.084; 16.086, Subdivisions 1 and 2; 16.125, Subdivision 2; 16.756, Subdivision 1; 18.023, Subdivision 11; 18.024, Subdivision 1; 16.97, Subdivision 3; 16A.123; 17B.15; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 40.071; 43.09, Subdivision 2a; 84.028, Subdivision 2; 84.54; 85.016; 85.017; 86.72, Subdivision 3; 86A.06; 86A.09, Subdivisions 1, 2, 3, and 4; 89.43; 92.35; 92.36; 92.37; 104.03, Subdivision 1; 104.35, Subdivisions 2 and 3; 105.484; 105.485, Subdivision 3; 114A.03, Subdivision 1; 115A.07, Subdivision 1; 115A.12, Subdivision 2; 115A.15, Subdivision 5; 116C.03, Subdivisions 2, 3, and 4; 116C.69, Subdivisions 2, 2a and 3; 116H.05; 116H.06; 116H.07; 116H.08; 116H.085; 116H.087; 116H.088, Subdivision 1; 116H.089; 116H.09, Subdivisions 1, 4, and 5; 116H.10; 116H.11; 116H.12, Subdivisions 1, 1b, 2, 4, 5, 6, and 9; 116H.121, Subdivisions 1 and 2; 116H.122; 116H.123; 116H.124; 116H.126; 116H.127;

116H.128; 116H.129, Subdivisions 1, 4, 5, 6, and 8; 116H.13; 116H.14; 116H.15, Subdivision 2; 116H.17; 116H.18; 116H.19, Subdivision 1; 116H.23; 120.78, Subdivision 1; 124.225, Subdivision 4a; 126.111, Subdivision 2; 137.31, Subdivision 6; 138.93, Subdivision 4; 139.17, Subdivision 1 and by adding a subdivision; 139.18, Subdivisions 1, 3 and 4; 139.19, Subdivisions 3, 4, 5 and 6; 145.834; 145.835, Subdivision 1; 145.836, Subdivision 1; 145.837, Subdivision 1; 145.845; 145.912, Subdivision 15; 160.262, Subdivisions 1 and 3; 160.265, Subdivision 1; 174.03, Subdivision 7; 176.183, Subdivision 2; 204A.06, Subdivision 1b; 216B.241, Subdivision 2; 222.62; 222.65; 223.03; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 245.783, Subdivision 2; 268.014; 273.74, Subdivisions 2 and 5; 275.53, Subdivisions 1, 3, and 4; 290.06, Subdivision 14; 290.431; 298.48, Subdivision 4; 299A.03, Subdivision 5; 299A.04; 301.75; 301.77, Subdivision 1; 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 322A.16; 322A.71; 325F.19, Subdivisions 3 and 6; 325F.20, Subdivision 1; 325F.21, Subdivision 2; 325F.23, Subdivision 1; 325F.24, Subdivision 3a; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 345.53; 354.43, Subdivision 3; 355.06; 362.12, Subdivision 1; 362.13; 362.132; 362.40, Subdivisions 8, 9, and 10; 362.41, Subdivision 5; 362.42; 362.51, Subdivisions 8 and 10; 362A.06; 402.045; 402.062, Subdivision 1; 402.095; 451.09, Subdivision 2; 453.52, Subdivision 3; 462.375; 462.384, Subdivision 7; 462.385, Subdivisions 1 and 3; 462.386, Subdivision 1; 462.387; 462.39, Subdivisions 2 and 3; 462.391, Subdivisions 2, 3, and 4; 462.395; 462.396, Subdivision 1; 462.398; 462.421, Subdivision 21; 462A.05, Subdivision 15b; 473.204, Subdivision 2; 473.411, Subdivision 1; 473.857, Subdivision 2; 473H.06, Subdivision 5; 474.01, Subdivisions 6, 7, and 8; 480.0595; 641.24; and 648.39; proposing new law coded as Minnesota Statutes, Chapter 116J; proposing new law coded in Minnesota Statutes, Chapters 116H and 299A; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; repealing Minnesota Statutes 1980, Sections 3.351; 4.11, Subdivisions 1, 2, 3, 6, and 7; 4.15; 4.16; 16.014, Subdivision 3; 116H.001; 116H.02, Subdivisions 2 and 4; 116H.03; 116H.09, Subdivisions 2 and 3; 116H.12, Subdivision 3b; 116H.124, Subdivision 1; 116H.126, Subdivision 1; 126.52, Subdivision 12; 254A.06; 299A.03, Subdivisions 12, 13, and 14; 362.07; 362.08; 362.09; 362.10; 362.11; 362.12, Subdivisions 2 and 3; 362.15; 362.17; 362.18; 362.19; 362.23; 462.711; 473.571, Subdivisions 2, 3, and 4; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

H. F. No. 1443 was read the second time.

Mr. Luther moved to amend H. F. No. 1443 as follows:

Delete the language after the enacting clause of H. F. No. 1443 and insert the language after the enacting clause of S. F. No. 1390 as introduced; further, delete the title of H. F. No. 1443 and insert the title of S. F. No. 1390 as introduced. The motion prevailed.

Mr. Luther then moved to amend H. F. No. 1443, as amended by the Senate, April 30, 1981, as follows:

(The text of the amended House file is identical to S. F. No. 1390.)

Page 9, line 38, delete "\$85,400" and insert "\$128,000"

Correct the agency total accordingly

Page 11, line 30, delete "\$200,000 (\$300,000)" and insert "\$330,600 (\$360,300)"

Correct the agency total accordingly

Page 29, line 40, delete "622,100" and insert "41,300 (1,823,900)"

Page 29, after line 40, insert:

"General Support
\$622,100"

Page 30, after line 19, insert:

"General Reduction
(\$580,800) (\$554,000)

The amounts appropriated for the several programs and activities in subdivisions 2 to 5 for each year shall be reduced by the commissioner of planning, energy, and development by the amount of the general reduction for each year so that the total appropriated for all programs and activities in subdivisions 2 to 5 each year does not exceed the amount appropriated in subdivision 1 for general operations and management for that year."

Correct the agency totals accordingly

Correct the summary by fund accordingly

The motion prevailed. So the amendment was adopted.

Mr. Engler moved to amend H. F. No. 1443, as amended by the Senate April 30, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1390.)

Page 25, line 21, delete "\$10,844,000" and "\$8,948,000" and insert "\$10,969,000" and "\$9,075,000"

Page 25, line 22, delete "185.5" and insert "189.5"

Page 25, line 23, delete "158" and insert "162"

Page 27, line 35, delete "\$2,160,000" and "\$2,060,000" and insert "\$2,285,000" and "\$2,187,000"

Page 27, after line 44, insert:

"\$125,000 the first year and \$127,000 the second year is for the expansion and promotion of international trade."

Page 160, line 27, strike the period and insert a semicolon

Page 160, after line 27, insert:

"(16) Promote and encourage the expansion and development of international trade."

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

Mr. Ramstad moved to amend H. F. No. 1443, as amended by the Senate

April 30, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1390.)

Page 10, line 23, delete "10,819,600" and insert "10,248,000"

Page 10, line 23, delete "11,708,200" and insert "11,168,000"

Page 11, line 30, delete "(\$200,000)" and insert "(\$771,000)"

Page 11, line 30, delete "(\$300,000)" and insert "(\$840,200)"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Frederickson	Lindgren	Renneke
Belanger	Brataas	Keefe	Peterson, D.L.	Rued
Benson	Engler	Knutson	Pillsbury	Taylor
Berg	Frederick	Kronebusch	Ramstad	Ulland

Those who voted in the negative were:

Berglin	Frank	Lessard	Pehler	Solon
Bertram	Hanson	Luther	Penny	Stokowski
Chmielewski	Humphrey	Menning	Peterson, C.C.	Stumpf
Dahl	Johnson	Merriam	Peterson, R.W.	Tennessee
Davies	Knoll	Moe, D. M.	Petty	Vega
Davis	Kroening	Moe, R. D.	Purfeerst	Waldorf
Dicklich	Langseth	Nelson	Schmitz	Wegener
Dieterich	Lantry	Olhoft	Setzepfandt	Willet

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

H. F. No. 1443 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	Stumpf
Bang	Dieterich	Langseth	Peterson, C.C.	Taylor
Belanger	Engler	Lantry	Peterson, R.W.	Tennessee
Berg	Frank	Lessard	Petty	Ulland
Berglin	Frederick	Luther	Purfeerst	Vega
Bernhagen	Frederickson	Menning	Renneke	Waldorf
Bertram	Hanson	Merriam	Schmitz	Wegener
Brataas	Humphrey	Moe, D. M.	Setzepfandt	Willet
Chmielewski	Johnson	Moe, R. D.	Solon	
Dahl	Keefe	Nelson	Spear	
Davies	Knoll	Olhoft	Stern	
Davis	Knutson	Pehler	Stokowski	

Those who voted in the negative were:

Benson	Lindgren	Pillsbury	Ramstad	Rued
Kronebusch	Peterson, D.L.			

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

Mr. Willet moved that S. F. No. 1390 be stricken from General Orders and laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe,

R.D. 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. Peterson, C.C. in the chair.

After some time spent therein, the committee arose, and Mr. Peterson, C.C. reported that the committee had considered the following:

S. F. No. 847, which the committee recommends be returned to the Committee on Elections and Reapportionment.

S. F. No. 767, which the committee recommends to pass with the following amendment offered by Mr. Dicklich:

Page 1, line 11, before "*summary*" insert "*detailed*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1005, which the committee recommends to pass with the following amendment offered by Mrs. Brataas:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 462C.05, Subdivision 1, is amended to read:

Subdivision 1. A city may also plan, administer, and make or purchase a loan or loans to finance one or more multifamily housing developments within its boundaries, of the kind described in subdivision 2, 3, ~~or 4~~ or 7, and upon the conditions set forth in this section. A loan may be made or purchased for the acquisition and preparation of a site and the construction of a new development, or for the acquisition of an existing building and site and the rehabilitation thereof, provided that:

(a) The cost of rehabilitation of an existing building is estimated to equal at least \$5,000 per dwelling unit or 50 percent of the appraised value of the original building and site, whichever is less or if the rehabilitation is financed in part by proceeds from a program provided by the federal government pursuant to 24 C.F.R. Sections 882.401 to 882.519 or pursuant to section 312 of the Housing Act of 1964 (42 U.S.C. Section 1452b), the cost of rehabilitation of an existing building is estimated to equal at least \$2,000 per dwelling unit or 20 percent of the appraised value of the original building and site whichever is less;

(b) At least a substantial portion of such rehabilitation cost is estimated to be incurred for compliance with building codes or conservation of energy;

(c) Each development upon completion shall comply with all applicable code requirements;

(d) A loan or loans may be made or purchased for either the construction or the long term financing of a development, or both, including the financing of the acquisition of dwelling units and interests in common facilities provided therein, by persons to whom such units and facilities may be sold as contemplated in chapter 515 or any supplemental or amendatory law thereof; and

(e) Substantially all of the proceeds of each loan shall be used to pay the cost

of a multifamily housing development, including property functionally related and subordinate to it; but nothing herein prevents the construction of the development over, under, or adjacent to, and in conjunction with facilities to be used for purposes other than housing.

Sec. 2. Minnesota Statutes 1980, Section 462C.05 is amended by adding a subdivision to read:

Subd. 7. A development may consist of a combination of a multifamily housing development and a new or existing health care facility, as defined by section 474.02, if the following conditions are satisfied:

(a) The multifamily housing development is designed and intended to be used for rental occupancy;

(b) The multifamily housing development is designed and intended to be used primarily by elderly or physically handicapped persons; and

(c) Nursing, medical, personal care, and other health related assisted living services are available in the development to the residents.

The limitations of section 462C.04, subdivision 2, clause (c), shall not apply to projects defined in this subdivision and approved by the Minnesota housing finance agency before July 1, 1983. The limitations of section 462C.07, subdivision 2, shall not apply to bonds issued for projects defined in this subdivision.

The Minnesota housing finance agency shall provide, in the annual report required by section 462C.04, subdivision 2, information on the costs incurred for the issuance of bonds for projects defined in this subdivision. The report shall also include the Minnesota housing finance agency's recommendations for the regulation of costs of issuance for future issues."

Delete the title and insert:

"A bill for an act relating to local housing programs; authorizing certain combined multifamily housing and health care facility developments; providing an exemption from the limits on aggregate amount of bonds that may be issued; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1, and by adding a subdivision."

The motion prevailed. So the amendment was adopted.

H. F. No. 588, which the committee recommends to pass, subject to the following motion:

Mr. Stern moved that the amendment made to H.F. No. 588 by the Committee on Rules and Administration in the report adopted April 28, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S. F. No. 804, which the committee recommends to pass with the following amendments offered by Mr. Willet:

Mr. Willet moved to amend S. F. No. 804 as follows:

Page 7, line 18, delete "(36,000)" and insert "36,000"

Page 7, line 20, delete "(36,000)" and insert "36,000"

Page 11, line 33, after "any" insert "axle or group of consecutive axles of any"

Page 15, line 23, after "production" insert "or on farm storage site to any other location within 50 miles of the place of production or on farm storage site."

Page 15, line 23, delete "to any"

Page 15, delete lines 24 to 27

Page 18, line 25, after the period, insert "A peace officer who cites a driver for a violation of the weight limitations established by sections 169.81 to 169.87 shall give written notice to the driver that he or another may also be liable for the civil penalties provided herein in the same or separate proceedings."

Page 18, line 30, after the period, insert "Trials to the court under this section shall, if possible, be conducted at the same time as pre-trial motions or trials in the criminal prosecution under sections 169.81 to 169.87, if any, subject to the agreement of the defendant."

Page 18, line 36, after "I" insert "unless there is agreement that the action may be tried in another county or municipality"

Page 19, line 26, after "representative" insert "or a peace officer as defined in section 626.84, subdivision 1, clause (c), except state conservation officers,"

The motion prevailed. So the amendment was adopted.

Mr. Willet then moved to amend S.F. No. 804 as follows:

Page 10, line 32, delete the period and insert a semicolon

Page 10, after line 32, insert:

"(e) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a four axle ready mix concrete truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this subdivision."

Page 12, line 23, after "any" insert "farm"

Page 12, line 23, delete "weighing not more than"

Page 12, delete lines 24 and 25 and insert "registered prior to July 1, 1981, under section 168.013, subdivision 1c, for 57,000 pounds or less or to any rear-loading refuse compactor vehicle."

The motion prevailed. So the amendment was adopted.

Mr. Willet then moved to amend S.F. No. 804 as follows:

Page 20, line 8, strike "and" and insert a comma

Page 20, line 9, after "maintain" insert "or open for inspection and copying, those"

Page 20, line 13, after the period, insert "A person who does not accurately record the information required to be contained in those documents required in subdivision 1 is guilty of a misdemeanor."

The motion prevailed. So the amendment was adopted.

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

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

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 301: A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; requiring the higher education coordinating board to receive approval prior to implementing a parent loan program; increasing the bonding authority of the higher education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for development of procedures by the higher education coordinating board and the state board for vocational education; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions 3 and 4, and by adding a subdivision; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 3, and 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

S. F. No. 953: A bill for an act relating to financial institutions; savings associations; increasing the loan term of direct reduction loans; providing for the organization, operation, conversion, merger, reorganization, consolidation, and dissolution of mutual and capital stock associations; authorizing the establishment of savings and loan holding companies; granting the commissioner certain supervisory powers; providing certain examination and reporting requirements; authorizing the issuance and sale of capital certificates; authorizing the payment of dividends on capital stock; authorizing the issuance of certain accounts to married persons or minors as sole owners thereof; allowing certain foreign associations to do business in the state; prescribing duties; providing examinations and supervision; defining terms; prescribing penalties; amending Minnesota Statutes 1980, Sections 51A.02, Subdivisions 2 and 4, and by adding subdivisions; 51A.03; 51A.04; 51A.07; 51A.08; 51A.09; 51A.10; 51A.11; 51A.12; 51A.13; 51A.15, Subdivision 7; 51A.19, Subdivision 1, and by adding subdivisions; 51A.20; 51A.21, Subdivision 5, and by adding subdivisions; 51A.22; 51A.43; 51A.44; 51A.45; 51A.50; 51A.52; 51A.53; proposing new law coded in Minnesota Statutes, Chapter 51A; repealing Minnesota Statutes 1980, Sections 51A.06; and 51A.49.

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

Page 14, line 11, delete "COMPENSATION OF DIRECTORS" and insert "DIRECTORS' FEES"

Page 14, line 12, delete "compensation" and insert "fees"

Page 14, line 13, delete "*compensation*" and insert "*fees*"

Page 16, line 24, delete everything after the period

Page 16, delete lines 25 to 27

Page 18, line 4, strike everything after the period

Page 18, lines 5 and 6, strike the old language before the period and delete the new language and insert "*Any hearing required by this section shall be conducted by the commerce commission in accordance with the provisions of the administrative procedure act, sections 15.0411 to 15.052, governing contested cases, including the provisions of the act relating to judicial review of agency decisions*"

Page 20, line 24, after "**CAPITAL REQUIRED**" delete "**IN COMMUNITIES OF VARIOUS**"

Page 20, line 25, delete "**SIZES**"

Page 20, line 30, delete "*paragraph (b)*" and insert "*subdivision 2*"

Page 21, line 5, delete "*, labor, or services actually performed,*" and insert "*or authorized securities*"

Page 21, line 9, delete everything after "*be*"

Page 21, delete lines 10 to 14

Page 21, line 15, delete "*the latest available federal census*" and insert "*not less than \$500,000, provided the commissioner may, in his discretion, require a larger amount to be paid in. No portion of the capital stock shall be withdrawn by any person or in any way, either in dividends or otherwise, except as provided by law. No dividend on capital stock shall be made except as provided in section 51A.21, subdivision 21*"

Page 21, line 18, delete "**CAPITAL**" and insert "**PAID-IN**" and after "**SURPLUS**" insert "**AND EXPENSE FUND**"

Page 21, delete lines 19 to 25 and insert "*addition to the required capital stock the incorporators shall pay an additional amount as the commissioner shall determine which shall constitute minimum paid-in surplus. This paid-in surplus shall in no event be less than 25 percent of the amount of required capital stock. Furthermore, there shall be established an expense fund in an amount determined by the commissioner to be adequate to meet the expense of organizing the association and its operating expenses until the time its net income is sufficient.*"

Page 21, line 27, delete "*board*" and insert "*commerce commission*" and delete "*petition*" and insert "*application*"

Page 25, line 13, after the period, insert "*In addition to any notice of annual or special meeting required by this act and*"

Page 26, line 6, delete everything after "*shall*"

Page 26, delete line 7 and insert "*receive without payment nontransferable rights for a period of at least 20 days to purchase a proportionate share of voting capital stock*"

Page 26, line 10, after "*others,*" insert "*provided the offering shall be sold*"

in a public offering through an underwriter or if directly by the converting association in a direct community marketing program as provided for in the plan for conversion approved by the commissioner or other responsible authority,"

Page 27, delete lines 9 to 12

Page 27, line 13, delete "(h)" and insert "(g)"

Page 27, line 15, delete "(i)" and insert "(h)" and after "other" insert "provisions, requirements or"

Page 27, line 16, delete "required by" and insert "acceptable to"

Page 29, line 20, delete "TO BANKING DIVISION"

Page 29, line 22; delete everything after "therefrom"

Page 29, delete line 23 and insert "and the proceedings shall be conducted pursuant to the provisions of the administrative procedure act relating to judicial review of agency decisions, sections 15.0424 to 15.0426, and the scope of judicial review in the proceedings shall be as provided therein."

Page 30, line 16, strike everything after "therefrom"

Page 30, line 17, strike everything before the period and insert "and the proceedings shall be conducted pursuant to the provisions of the administrative procedure act relating to judicial review of agency decisions, sections 15.0424 to 15.0426, and the scope of judicial review in the proceedings shall be as provided therein"

Pages 30 to 37, delete section 11

Page 44, line 13, delete "120" and insert "30"

Page 44, line 25, reinstate the old language and delete the new language

Page 44, line 31, after "DIRECTORS" insert "OF MUTUAL ASSOCIATIONS"

Page 45, after line 19, insert:

"Subd. 2a. [QUALIFICATIONS REQUIRED OF DIRECTORS OF STOCK ASSOCIATIONS.] In order to qualify as a director of a capital stock association each director shall own and hold shares of voting capital stock of the association unencumbered with a par or stated value of not less than \$500, provided that, if the total assets of the association exceed \$5,000,000, a director must own and hold shares of not less than \$1,000. Except with the written consent of the commissioner, no person shall be eligible for election or shall serve as director or officer of an association who has been adjudicated a bankrupt or convicted of a criminal offense involving dishonesty or a breach of trust. A director shall automatically cease to be a director when he is adjudicated a bankrupt or is convicted of a criminal offense as herein provided or when the par or stated value of the shares of voting capital stock of the association held by him aggregates less than the minimum required to be eligible for election as a director."

Page 47, delete lines 12 to 19 and insert:

"Subd. 11. [MAINTENANCE OF STOCKHOLDER RECORDS; RE-

PORT TO COMMISSIONER.] Every capital stock association shall at all times keep an accurate verified list of all its stockholders with the amount of stock held by each, the type of stock, voting status, the dates of all issuances and transfers, and names of transferees, and shall annually file a copy of the list as it appears on the date of the annual stockholders meeting with the commissioner. A capital stock association has the power to employ the services of a transfer agent to maintain stockholder records and perform stock transfer services. Whenever a change occurs in the outstanding voting stock of any capital stock association which will result in control or in a change in the control of the association it shall promptly report the facts to the commissioner of banks. As used in this subdivision the term "control" means the power to directly or indirectly direct or cause the direction of the management or policies of the association. A change in ownership of capital stock which would result in direct or indirect ownership by a stockholder or an affiliated group of stockholders of less than 25 percent of the outstanding capital stock shall not be considered a change of control. If there is any doubt as to whether a change in the outstanding voting stock is sufficient to result in control thereof or to effect a change in control thereof, the doubt shall be resolved in favor of reporting the facts to the commissioner."

Page 48, line 9, before "Every" insert "Subdivision 1. [MUTUAL ASSOCIATIONS.]"

Page 49, after line 9, insert:

"Subd. 2. [CAPITAL STOCK ASSOCIATIONS.] At the end of each dividend period, after deducting all necessary expenses and losses, all of the remaining net profits for the period shall be set aside as surplus fund provided the surplus fund of the association is not equal to at least 25 percent of outstanding capital stock. If the surplus fund is equal to or exceeds 25 percent of outstanding capital stock, ten percent of the remaining net profits for the period shall be set aside as a surplus fund until it equals 50 percent of the capital stock. The directors may then declare a dividend of so much of the remainder as they may deem expedient, subject to the commissioner's approval."

Page 51, line 5, before "The" insert "Subdivision 1. [OPERATION OF SAVINGS LIABILITY.]" and strike "is not limited, but"

Page 51, after line 33, insert:

"Subd. 2. [AMOUNT OF SAVINGS LIABILITY.] The savings liability of a mutual association is not limited. The savings liability of a stock association shall not exceed a sum which is 30 times the amount of its capital stock and its actual surplus. For purposes of this subdivision capital certificates outstanding pursuant to section 51A.21, subdivision 20, may be included in the definition of capital stock."

Pages 52 to 60, delete sections 30 to 33

Page 62, line 1, after "51A.06" insert "Subdivisions 1 and 2"

Page 62, line 4, delete "37" and insert "32"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete everything before "granting"

Page 1, line 15, delete everything after the semicolon

Page 1, delete line 16

Page 1, line 17, delete everything before "defining"

Page 1, line 24, delete everything after the second semicolon

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. 150: A bill for an act relating to education; requiring school boards to hold public hearings for all mill rate increases in the discretionary levy; amending Minnesota Statutes 1980, Section 275.125, Subdivision 7a.

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

Delete everything after the enacting clause and insert:

“ARTICLE I

FOUNDATION AID

Section 1. Minnesota Statutes 1980, Section 124.01, Subdivision 2, is amended to read:

Subd. 2. [FORMULA ALLOWANCE.] “Foundation aid formula allowance” or “formula allowance” means the amount of revenue per pupil unit specified for use in the computation of foundation aid for a particular school year pursuant to section 124.212 and in the computation of permissible levies for use in that school year. ~~For foundation aid for the 1979-1980 school year, the formula allowance shall be \$1,182. For 1979 payable 1980 levies and for foundation aid for the 1980-1981 school year, the formula allowance shall be \$1,265. For 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year, the formula allowance shall be \$1,354. For 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year, the formula allowance shall be \$1,348.~~

Sec. 2. Minnesota Statutes 1980, Section 124.01, Subdivision 3, is amended to read:

Subd. 3. [BASIC MAINTENANCE MILL RATE.] “Basic maintenance mill rate” means the maximum permissible mill rate applicable to the adjusted assessed valuation of a district, specified for use in the computation of foundation aid for a particular school year pursuant to section 124.212 and of permissible levies for use in that school year pursuant to section 275.125, subdivision 2a, clause (1) or (2). ~~For 1979 payable 1980 levies and for foundation aid for the 1980-1981 school year, the basic maintenance mill rate shall be .023. For 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year, the basic maintenance mill rate shall be .021. For 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year, the basic maintenance mill rate shall be .021.~~

Sec. 3. Minnesota Statutes 1980, Section 124.01, Subdivision 4, is

amended to read:

Subd. 4. [EQUALIZING FACTOR.] "Equalizing factor" means the ratio of the formula allowance for a particular school year to the basic maintenance mill rate for that school year. ~~For 1979 payable 1980 levies and for foundation aid for the 1980-1981 school year, the equalizing factor shall be \$55,000. For 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year, the equalizing factor shall be \$64,476.~~

Sec. 4. Minnesota Statutes 1980, Section 124.01, is amended by adding a subdivision to read:

Subd. 5. [DISCRETIONARY ALLOWANCE.] The discretionary allowance for each year is the quotient of the foundation formula amount divided by the basic maintenance mill rate for the same year multiplied by the discretionary levy mill rate for that year.

Sec. 5. Minnesota Statutes 1980, Section 124.11, Subdivision 1, is amended to read:

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, *for fiscal years through 1982*, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each of the months other than October from August through May based upon information available and the final distribution shall be made in October of the following school year.

Sec. 6. Minnesota Statutes 1980, Section 124.11, is amended by adding a subdivision to read:

Subd. 1a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program and except as provided in subdivision 5, starting in fiscal year 1983, based upon information available, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each month from August through April, except October, and five percent shall be paid in May. The final distribution shall be made in October of the following fiscal year.

Sec. 7. Minnesota Statutes 1980, Section 124.17, is amended by adding a subdivision to read:

Subd. 2d. [SUMMER SCHOOL.] Beginning in the 1982-1983 school year, in summer school or inter-session classes of flexible school year programs, membership for pupils shall mean the number of full-time equivalent pupils in the program. This number shall equal the sum for all pupils of the number of classroom hours in the programs for which each pupil is enrolled divided by 1050.

Sec. 8. Minnesota Statutes 1980, Section 124.20, is amended to read:

124.20 [EDUCATION; STATE AID; SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] Foundation aid for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, (3) summer school classes in elementary and secondary

schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall be paid at a proportionate rate for foundation aids paid for the preceding regular school year; provided that no district shall receive aid for programs under this section in an amount greater than its actual expenditures for these programs; ~~provided further, that for purposes of computing summer school foundation aid through 1980, a district's foundation aid for the regular school year shall be reduced by the amount of the agricultural tax credit included in that foundation aid;~~ provided further, that for purposes of computing summer school foundation aid starting in 1981, foundation aid for the regular school year shall be reduced by amounts of foundation aid computed pursuant to section 124.212, subdivision 7c, clauses (2), (3), (4) and (5), and section 124.212, subdivision 7d, clauses (2), (3), (4) and (5), or their successor provisions. *Beginning in the 1982-1983 school year, summer school aid shall be paid under the provisions of subdivision 3 of this section.*

Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer school and inter-session classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer school pupil units" means full-time equivalent pupil units for summer school classes and inter-session classes of flexible school year programs computed under the provisions of section 124.17.

(2) "Summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times the foundation aid formula allowance as defined in section 124.01, subdivision 2, for the preceding regular school year.

(3) "Summer school aid" means aid for summer school and inter-session classes of flexible school year programs.

Subd. 3. [SUMMER SCHOOL AID.] Each year a district shall receive summer school aid equal to the difference between

(1) the product of

(a) the ratio of the district's actual levy to its permitted levy pursuant to section 17 of this article certified in the calendar year when the summer school program is offered; times

(b) the district's summer school revenue allowance; and

(2) the levy certified by the district pursuant to section 17 of this article in the calendar year when the summer school program is offered.

Sec. 9. Minnesota Statutes 1980, Section 124.212, Subdivision 1, is amended to read:

Subdivision 1. [INTRODUCTION.] The foundation aid program for school districts ~~for school years 1979-1980 and 1980-1981~~ shall be governed by the terms and provisions of this section.

Sec. 10. Minnesota Statutes 1980, Section 124.212, Subdivision 7d, is amended to read:

Subd. 7d. For the 1981-1982 school year a district shall receive in foundation aid:

(1) ~~\$1,354~~ \$1,310 per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), less 21 mills times the 1979 adjusted assessed valuation of the district; plus

(2) the amount of the agricultural tax credit by which 1980 payable 1981 property taxes in the district are reduced pursuant to section ~~273.132~~ 124.213; plus

(3) an amount equal to the product obtained by multiplying the ratio of the district's actual levy to its permitted levy in 1980 payable 1981 pursuant to section 275.125, subdivision 6b, times the difference between

(a) the greater of

(i) the amount derived in subdivision 7c, clause (3), part (a), or

(ii) the product obtained by multiplying the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), in the district in 1980-1981, times the quotient obtained by dividing the amount derived in subdivision 7c, clause (3), part (a), by the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in 1979-1980, and

(b) the product obtained by multiplying the amount derived in part (a) of this clause times the lesser of

(i) one or

(ii) the ratio of the district's 1979 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1980-1981, to the state average 1979 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the state in 1980-1981; plus

(4) an amount equal to the ratio of the district's actual levy to its permitted levy in 1980 payable 1981 pursuant to section 275.125, subdivision 6c, times the difference between

(a) the product obtained by multiplying

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1981-1982 times

(ii) 107 percent of the quotient obtained by dividing the amount derived in subdivision 7c, clause (4), part (a), by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1980-1981, *except that for districts which do not receive revenue pursuant to section 23 of this article, and with more than 1,000 square miles in area, the revenue computed pursuant to Minnesota Statutes, 1979 Supplement, Section 124.224, for purposes of subdivision 7c, clause (4) shall be increased by 50 percent,* and

(b) the product obtained by multiplying the ratio of the amount derived in part (a) (ii) of this clause to \$64,476, times the district's 1979 adjusted assessed valuation; plus

(5) an amount equal to the difference between

(a) the product obtained by multiplying the mill rate levied by the district on its adjusted assessed valuation in 1980 payable 1981 pursuant to section

275.125, subdivision 7a, times \$64,476, times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in 1980-1981; and

(b) the product obtained by multiplying the mill rate levied by the district on its adjusted assessed valuation in 1980 payable 1981 pursuant to section 275.125, subdivision 7a, times the district's 1979 adjusted assessed valuation.

(6) No district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6 and 6a, comprises 60 percent or more of the assessed valuation of the district shall receive an amount of foundation aid pursuant to clause (1) which is less than the following difference:

(a) \$800 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), less

(b) the sum of

(i) the amount of the agricultural tax credit by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.132, plus

(ii) the amount by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.13, subdivisions 6, 7 and 14a, plus

(iii) the amount by which 1980 payable 1981 property taxes in the district are reduced pursuant to section 273.135, plus

(iv) the amount by which 1980 payable 1981 taxes in the district are reduced pursuant to section 273.138, subdivision 6.

Sec. 11. Minnesota Statutes 1980, Section 124.212, is amended by adding a subdivision to read:

Subd. 7e. [FOUNDATION AID; 1982-1983.] For the 1982-1983 school year a district shall receive in foundation aid:

(1) [BASIC FOUNDATION AID.] *\$1,348 per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), less 21 mills times the 1980 adjusted assessed valuation of the district; plus*

(2) [AGRICULTURAL TAX CREDIT.] *The amount of the agricultural tax credit by which 1981 payable 1982 property taxes in the district are reduced pursuant to section 124.213; plus*

(3) [GRANDFATHER LEVY MATCHING AID.] *An amount equal to the product obtained by multiplying the ratio of the district's actual levy to its permitted levy in 1981 payable 1982 pursuant to section 275.125, subdivision 6b, times the difference between*

(a) the greater of

(i) the amount derived in Minnesota Statutes 1980, Section 275.125, Subdivision 6b, clause (1)(b), or

(ii) the product obtained by multiplying the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), in the district in 1981-1982 times the quotient obtained in Minnesota Statutes 1980, Section 275.125, Subdivision 6b, Clause (2)(b)(ii), and

(b) the product obtained by multiplying the amount derived in part (a) of this clause times the lesser of

(i) one or

(ii) the ratio of the district's 1980 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1981-1982, to the state average 1980 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the state in 1981-1982; plus

(4) [REPLACEMENT LEVY MATCHING AID.] An amount equal to the ratio of the district's actual levy to its permitted levy in 1981 payable 1982 pursuant to section 275.125, subdivision 6c, times the difference between

(a) the product obtained by multiplying

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in 1982-1983 times

(ii) the product obtained by multiplying

(A) the ratio of \$1,348 to \$1,265, times

(B) the amount derived in Minnesota Statutes 1980, Section 275.125, Subdivision 6c, Clause (1)(a)(i)(A), and

(b) the product obtained by multiplying the ratio of the amount derived in (a)(ii) to the equalizing factor, times the district's 1980 adjusted assessed valuation; plus

(5) [DISCRETIONARY LEVY MATCHING AID.] An amount equal to the difference between

(a) the product obtained by multiplying the mill rate levied by the district on its adjusted assessed valuation in 1981 payable 1982 pursuant to section 275.125, subdivision 7a, times the equalizing factor, times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in 1981-1982; and

(b) the product obtained by multiplying the mill rate levied by the district on its adjusted assessed valuation in 1981 payable 1982 pursuant to section 275.125, subdivision 7a, times the district's 1980 adjusted assessed valuation.

(6) [MINIMUM AID.] No district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6 and 6a, comprises 60 percent or more of the assessed valuation of the district shall receive an amount of foundation aid pursuant to clause (1) which is less than the following difference:

(a) \$800 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), less

(b) the sum of

(i) the amount of the agricultural tax credit by which 1981 payable 1982 property taxes in the district are reduced pursuant to section 124.213, plus

(ii) the amount by which 1981 payable 1982 property taxes in the district are reduced pursuant to section 273.13, subdivisions 6, 7 and 14a, plus

(iii) the amount by which 1981 payable 1982 property taxes in the district are reduced pursuant to section 273.135.

Sec. 12. Minnesota Statutes 1980, Section 124.212, is amended by adding a subdivision to read:

Subd. 22. [RECOMPUTED REPLACEMENT AMOUNT.] (1) Notwithstanding any law to the contrary, if the amounts derived by applying the provisions of Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (7) in Minnesota Statutes 1980, Sections 124.212, Subdivision 7c, Clause (4)(a) and 275.125, Subdivision 6c, Clause (1)(a)(i)(A), or Clause (1)(b) for any district where the actual number of pupil units increased from the 1979-1980 school year to the 1980-1981 school year, are smaller than the amounts which would have been derived under those sections for the district by using the quotient in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (6)(a), then the amounts derived in Minnesota Statutes 1980, Sections 124.212, Subdivision 7c, Clause (4)(a) and 275.125, Subdivision 6c, Clause (1)(a)(i)(A), or Clause (1)(b) shall be recomputed for all purposes using the quotient in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (6)(a), notwithstanding the district's increase in actual pupil units from the 1979-1980 to the 1980-1981 school year. The recomputed amounts shall be used in lieu of the amounts derived in Minnesota Statutes 1980, Section 124.212, Subdivision 7c, Clause (4)(a) and 275.125, Subdivision 6c, Clause (1)(a)(i)(A) or Clause (1)(b) for purposes of determining the district's authorized levies and foundation aid.

(2) [LEVY ADJUSTMENTS.] The 1979 payable 1980 and 1980 payable 1981 levy limitations of districts affected by clause (1) shall be recomputed as if clause (1) had been in effect at the time they were originally certified, and the 1981 payable 1982 levy limitation shall be increased by the sum of the differences between the original and the recomputed levy limitations for those years.

(3) [FOUNDATION AID ADJUSTMENTS.] Foundation aid for the 1980-1981 and 1981-1982 school years for districts which are affected by clause (1) shall be computed by applying the provisions of clause (1), except that for purposes of this computation the ratio of the district's actual levy to its permitted levy under Minnesota Statutes, Section 275.125, Subdivision 6c shall not be affected by clause (1).

Sec. 13. [124.2121] [DULUTH AIR BASE CLOSING; AID.]

Subdivision 1. [DETERMINING PUPIL UNIT REDUCTION.] In the 1981-1982 school year, every district having pupils enrolled whose parents are employed in the military or a civilian capacity at the Duluth air base shall determine the reduction in number of pupil units from the 1980-1981 school year because of the closing of the Duluth air base.

Subd. 2. [1981-1982 ADJUSTMENT.] In the 1981-1982 school year, the district shall receive 100 percent of the foundation aid lost because of the reduction in pupil units pursuant to subdivision 1.

Sec. 14. Minnesota Statutes 1980, Section 273.138, Subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 4, each county government, city, and township ~~and school district~~ which levied ad valorem taxes payable in 1973 shall receive reimbursement in 1974 and subsequent years for real property exempted from property taxation by section 272.02, subdivision

1.

Sec. 15. Minnesota Statutes 1980, Section 273.138, Subdivision 6, is amended to read:

Subd. 6. If a county government, city or township is subject to the provisions of sections 275.50 to 275.56, the amount of aid calculated for such taxing district pursuant to subdivision 2 for 1976 shall be deducted from the taxing district's levy year 1975, taxes payable 1976 levy limit base determined pursuant to section 275.51, subdivision 3b and the amount of aid calculated for such taxing district pursuant to subdivision 2 for 1977 shall be deducted from the taxing district's levy year 1976, taxes payable 1977 levy limit base determined pursuant to section 275.51, subdivision 3c for the purpose of calculating the taxing district's levy limitation for taxes payable in 1976 or 1977 as the case may be. ~~The amount of aid calculated for a school district pursuant to subdivision 3, clauses (2), (3), (4), (5) and (6) for 1975 or a subsequent year shall be deducted from the school district's maintenance levy limitation established pursuant to section 275.125, subdivision 2a, in determining the amount of taxes the school district may levy for general and special purposes for taxes payable in 1975 or a subsequent year.~~

Sec. 16. Minnesota Statutes 1980, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. [BASIC MAINTENANCE AND REFERENDUM LEVY.] (1) In ~~1979~~ 1981, a school district may levy for all general and special school purposes, an amount equal to the amount raised by ~~23~~ 21 mills times the ~~1978~~ 1980 adjusted assessed valuation of the district.

(2) In ~~1980~~ 1982, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 21 mills times the ~~1979~~ 1981 adjusted assessed valuation of the district.

(3) For any district levying less than 95 percent of the maximum levy allowable in clauses (1) and (2), the foundation aid to the district for the school year when the levy is recognized as revenue, calculated pursuant to section 124.212, subdivision 7c, clauses (1) and (6); or section 124.212, subdivision 7d, clauses (1) and (6); or their successor provisions, as applicable, shall be reduced to an amount equal to the ratio between the actual levy and the maximum levy allowable under clauses (1) and (2) times the foundation aid calculated pursuant to section 124.212, subdivision 7c, clauses (1) and (6); or section 124.212, subdivision 7d, clauses (1) and (6); or their successor provisions, as applicable, to which the district is otherwise entitled for that year. For purposes of computations pursuant to this clause, the maximum levy allowable and the actual levy under clauses (1) and (2) shall be increased 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 to approve a levy increase which will commence in a specific school year. The question on the ballot shall state the maximum

amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked by the voters of the district at a subsequent referendum.

(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 shall be called by the school board upon the written petition of qualified voters of the district. 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 ten percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(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. 17. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 2d. [SUMMER SCHOOL LEVY.] Beginning in the 1982-1983 school year a district may levy for summer school programs an amount equal to the following product:

(1) The district's summer school revenue allowance as defined in section 124.20 for the calendar year when the levy is certified, times

(2) the ratio of

(a) the quotient derived by dividing the adjusted assessed valuation of the district in the second preceding year, by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in the preceding regular school year, to

(b) the equalizing factor for the preceding regular school year.

Sec. 18. Minnesota Statutes 1980, Section 275.125, Subdivision 6b, is amended to read:

Subd. 6b. [GRANDFATHER LEVY.] (+) In 1979 any district which qualified in 1978 for an excess levy under Minnesota Statutes 1978, Section 275.125, Subdivision 6 or 7, may levy an amount equal to the product obtained by multiplying

(a) the lesser of

(i) one or

(ii) the ratio of the district's 1978 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in 1979-1980, to the state average 1978 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the state in 1979-1980, times

(b) the product obtained by multiplying

(i) the amount per pupil unit which the district was permitted to levy in 1978 under Minnesota Statutes 1978, Section 275.125, Subdivisions 6 and 7, times

(ii) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (6), and (7), in the district in 1979-1980.

(2) In 1980 and Each year thereafter, any district which qualified in 1979 for an excess levy under ~~clause (1)~~; *this subdivision* shall be allowed to levy an amount equal to the product obtained by multiplying

(a) (1) the lesser of

(i) (a) one or

(ii) (b) the ratio of the district's adjusted assessed valuation in the preceding year per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the school year when the levy is certified, to the state average adjusted assessed valuation in the preceding year per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the school year when the levy is certified, times

(b) (2) the greater of

(i) (a) the amount derived in *Minnesota Statutes 1980, Section 275.125, Subdivision 6b, Clause (1)*; ~~part (b)~~, or

(ii) (b) the product obtained by multiplying

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in the school year when the levy is certified, times

(ii) the quotient obtained by ~~dividing the amount derived in clause (1), part (b)~~; *by the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), in the district in 1979-1980 in Minnesota Statutes 1980, Section 275.125, Subdivision 6b, Clause (2)(b)(ii)*.

Sec. 19. Minnesota Statutes 1980, Section 275.125, Subdivision 6c, is amended to read:

Subd. 6c. [REPLACEMENT LEVY.] (1) In 1979 any district may levy an amount equal to the lesser of

(a) the product obtained by multiplying

(i) the ratio of

(A) the quotient obtained by dividing the sum of the additional amounts of aid the district would receive if pupil units identified in section 124.17, sub-

division 1, clauses (6) and (7) were used in addition to the pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5); in the computation pursuant to section 124.212, subdivision 7e, clause (1); and if section 124.224 were effective in the 1980-1981 school year, by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5); in the district in 1980-1981, to

(B) \$55,000, times

(ii) the district's 1978 adjusted assessed valuation, or

(b) the additional amounts of aid the district would receive if pupil units identified in section 124.17, subdivision 1, clauses (6) and (7) were used in addition to the pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5); in the computation pursuant to section 124.212, subdivision 7e, clause (1); and if section 124.224 were effective in the 1980-1981 school year.

(2) (1) In 1980 and Each year thereafter, any district which qualified for a levy under clause (1) this subdivision in 1979 may levy an amount equal to the lesser of

(a) the product obtained by multiplying

(i) the ratio of the foundation aid formula allowance for the school year to which the levy is attributable pursuant to section 121.904, subdivision 4, to \$1,265, times

(ii) the ratio of the amount derived in *Minnesota Statutes 1980, Section 275.125, Subdivision 6c, Clause (1)*, part (a) (i) (A), to the equalizing factor for the school year to which the levy is attributable, times

(iii) the district's adjusted assessed valuation for the preceding year, or

(b) the product obtained by multiplying

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in the school year to which the levy is attributable pursuant to section 121.904, subdivision 4, times

(ii) the ratio of the foundation aid formula allowance for the year to which the levy is attributable pursuant to section 121.904, subdivision 4, to \$1,265, times

(iii) the amount derived in *Minnesota Statutes 1980, Section 275.125, Subdivision 6c, Clause (1)*, part (a) (i) (A).

(2) Notwithstanding *Minnesota Statutes 1980, Section 275.125, Subdivision 6c, Clause (1) (a) (i) (A)*, for purposes of computing levy limitations pursuant to this subdivision in 1981 and thereafter and for purposes of computing foundation aid for 1982-1983 and succeeding years pursuant to section 11, clause (4) of this article, or its successor provision, the amount derived in *Minnesota Statutes 1980, Section 275.125, Subdivision 6c, Clause (1) (a) (i) (A)* shall be reduced by the additional amounts of foundation aid the district would have received in 1981-1982 if pupil units identified in *Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (7)*, had been used to compute foundation aid for that year.

Sec. 20. *Minnesota Statutes, 1980, Section 275.125, Subdivision 7a, is*

amended to read:

Subd. 7a. [DISCRETIONARY LEVY.] (1) In 1980 each district which levies the maximum permissible amount pursuant to subdivision 2a, clause (1) or (2) and subdivision 6b, may levy an additional amount which shall not exceed the lesser of (a) an amount equal to one mill times the district's 1979 adjusted assessed valuation or (b) the product obtained by multiplying \$64.48 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the district in the 1980-1981 school year.

(2) (1) In 1981 and each year thereafter, each district which levies the maximum permissible amount pursuant to subdivision 2a, clause (1) or (2) and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to ~~1-1/2~~ 2-1/2 mills times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying (i) ~~1-1/2~~ times (ii) the ratio of the equalizing factor to 1,000 the discretionary allowance, times (iii) (ii) the number of pupil units identified in section 124.17; subdivision 1, clauses (1), (2), (4), and (5), in the district in the school year when the levy is certified.

(3) (2) The board is not required to hold a public hearing or conduct a referendum on the levy authorized by this subdivision in any year when the board proposes to levy not to exceed an amount equal to the preceding year's adjusted assessed valuation times the largest number of EARC mills previously levied by the district pursuant to this subdivision.

(3)(a) The provisions of this clause shall apply to the levy authorization in this subdivision in any year when the board either proposes to levy pursuant to this subdivision for the first time or proposes to increase the number of mills which it levies against its adjusted assessed valuation pursuant to this subdivision to a number of mills greater than the largest number of mills previously levied against its adjusted assessed valuation pursuant to this subdivision.

(b) By the July 1 before a district certifies any levy pursuant to this subdivision in 1980, in any even-numbered year thereafter, or in any odd-numbered year thereafter when the district has not certified a levy pursuant to this subdivision in the preceding year in any year when this clause applies, the board of the district shall hold a public hearing on the need for the proposed levy pursuant to this subdivision or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate type, on 12 point body, with a larger headline, shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the amount of the proposed levy or increase in dollars, and EARC mills and auditor's mills, and the estimated net unappropriated fund balance in the district's operating funds as of the June 30 before the levy or increase is certified, and the tax impact of the proposed levy on homesteads with market values of \$30,000 and \$50,000.

(c) At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years and the estimated net unappropriated fund balances in all district funds as of the June 30 before the levy or increase is certified, and the board shall hear all parties requesting to give testimony for and against the proposed levy or increase. Upon receipt of a petition within 20-45 days after the hearing of the greater of (a) 50 voters, or (b) 15 percent of the number of voters who voted in the district at the most recent regular school board election, the board shall call a referendum on a reduction

of the proposed levy or increase. The petition shall state the number of mills on the district's adjusted assessed valuation by which it proposes to reduce the proposed levy. No petition or referendum shall provide for a reduction of a proposed levy pursuant to this subdivision to a rate less than one-half mill on the district's adjusted assessed valuation below the rate levied by the district pursuant to this subdivision in the preceding year. A petition shall be effective if signed by a number of qualified voters in the district equal to the greater of 50 voters or 15 percent of the number of voters who voted in the district at the most recent regular school board election.

(d) The referendum shall be held on a date set by the school board, but no later than the August 20 or before September 20 in the year the levy is certified. The question on the ballot shall state the maximum amount of the proposed levy, the amount of the proposed reduction of the levy and the amount of the levy if the reduction is approved, in mills on the district's adjusted assessed valuation and in dollars in the first year of the proposed levy.

The ballot shall state substantially the following, as appropriate:

The board of School District No. has proposed (a discretionary levy in a maximum amount of EARC mills which would raise) (to increase a discretionary levy from EARC mills to EARC mills. This increase would provide an additional) \$..... in the first year levied.

Shall the (increase in the) discretionary levy proposed by the Board of School District No. be approved?

.... Yes
.... No

(e) The approval of 50 percent plus one of those voting on the question is required to pass the referendum.

(f) If a petition is not received or if the proposed levy or increase is approved at a referendum, the district may levy the amount provided by the number of mills proposed by the school board. If a proposed first time levy is not approved, the district may not levy pursuant to this subdivision. If a proposed increase is not approved, the district may levy an amount not to exceed the amount provided by the millage proposed by the school board, reduced by any reduction in millage approved at a referendum pursuant to this clause largest number of EARC mills previously levied by the district pursuant to this subdivision, applied to the preceding year's adjusted assessed valuation until the next even-numbered year. The district is not required to hold a public hearing or call a referendum on a levy pursuant to this subdivision in any odd-numbered year which succeeds a year in which a levy is certified pursuant to this subdivision.

Sec. 21, Minnesota Statutes 1980, 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 authorized 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; *and* 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 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; ~~477A.15~~; 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, *or recognized revenue pursuant to section 477A.15*; 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 by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections *or revenue recognized pursuant to section 477A.15* in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections *or revenue recognized pursuant to section 477A.15* in the previous fiscal year less the product of the same dollar amount of payments *or revenue* times the ratio of the maximum levy allowed the district under subdivision 2a, to the total levy allowed the district under this section in the year in which the levy is certified.

(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 ten 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. The amount of any levy authorized by subdivision 7a shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by subdivision 11a, and the community service levy authorized by subdivision 8, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to subdivision 11a and for community services pursuant to subdivision 8. The reduction of the capital expenditure levy and the community services 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 pursuant to sections 294.21 to 294.26; 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 amount on the designated date: on or before March 15 of each year, 100 percent of the amount required to be subtracted from the previous fiscal

year's foundation aid pursuant to section 124.212, subdivision 8a, which is in excess of the foundation aid earned for that fiscal year. 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. 22. [275.128] [EXCESS FUND BALANCE; REVENUE REDUCTIONS.]

Beginning with the 1981 levy, when a school district has a net unappropriated operating fund balance as of the June 30 before the levy is certified which exceeds \$400 per pupil unit, as defined in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) for the same fiscal year, the revenue entitlement shall be reduced as follows:

The revenue entitlement from the discretionary levy authorized in subdivision 7a, clause (2) and the related aid authorized in section 124.212 shall be reduced by the amount of the fund balance in excess of \$400 per pupil unit.

Sec. 23. Minnesota Statutes 1980, Section 298.28, Subdivision 1, is amended to read:

Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton *plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:*

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (a) (d), shall be distributed to a group of school districts comprised of those school

districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134. ~~The 23 cents, less any amount distributed under part (e), 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. 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) On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2a, clause (4) is authorized by referendum, according to the following formula. Each district shall receive the product of:

(i) \$150 per pupil unit identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's adjusted assessed valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2a, clause (4), in the previous year, to the product of two mills times the district's adjusted assessed value in the second previous year.

The entitlement of \$150 per pupil unit shall be increased in any year in the same proportion as the increase that the district's adjusted assessed valuation is increased over the district's adjusted assessed valuation for the year 1980. If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124.212 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection fund as provided in section 298.28, subdivision 1, clause 10.

(e) (d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall

follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after

the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 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.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In

any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 24. [EVALUATION OF EXCESS MAINTENANCE LEVY.]

The state department of education shall study and evaluate the effects of the excess maintenance levy limitation and aid and report the findings of this study to the education committees of the legislature before February 15, 1982. The reports shall include recent data on patterns of revenue, expenditures, unit costs, and fund balances of school districts.

Sec. 25. [REPEALER.]

Minnesota Statutes 1980, Section 273.138, Subdivision 3, is repealed effective June 30, 1982. Minnesota Statutes 1980, Section 275.125, Subdivision 7b, is repealed.

Sec. 26. [APPROPRIATION.]

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:

\$717,500,000 1982,

This amount includes \$68,750,000 for aid for fiscal year 1981 payable in fiscal year 1982, and \$648,750,000 for aid for fiscal year 1982 payable in fiscal year 1982.

\$632,100,000 1983.

This amount includes \$75,700,000 for aid for fiscal year 1982 payable in

fiscal year 1983, and \$556,400,000 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [SUMMER SCHOOL.] For state aid for summer school there is appropriated:

\$ 14,453,700 1982,

This amount is for 1981 summer school programs.

\$ 12,805,000 1983.

This amount is for 1982 summer school programs.

Subd. 4. Any unexpended balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

Sec. 27. [EFFECTIVE DATES.]

Section 12 of this article is effective the day following final enactment. Section 14 of this article is effective June 30, 1982. Section 23 of this article is effective for taxes payable in 1982 for iron ore concentrate produced in any year beginning after December 31, 1980.

ARTICLE II

TRANSPORTATION AID PROGRAM

Section 1. Minnesota Statutes 1980, Section 123.39, Subdivision 1, is amended to read:

Subdivision 1. The board may provide for the free transportation of pupils to and from school, and to schools, in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. In any ~~special or independent~~ school district, the board shall arrange for the attendance of all pupils living two miles or more from the school; through suitable provision for transportation or ~~for~~ through the boarding and rooming of ~~such the pupils as~~ who may be more economically and conveniently provided for by ~~such that~~ means. When transportation is provided, the scheduling of routes, the establishment of the location of bus stops, manner and method of transportation, control and discipline of school children and any other matter relating thereto shall be within the sole discretion, control and management of the school board. The district is ~~authorized to~~ may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by ~~such that~~ means or who attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 2. Minnesota Statutes 1980, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) 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 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 that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils during the school day to other buildings within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that the pupil reside at least one mile from school in order for the transportation to qualify for aid;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(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, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) Services described in clauses (1) to (7) and clauses (9) and (10) when provided in conjunction with a state board approved summer school program;

(9) Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; ~~and~~

(10) Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935-, *and*

(11) Subject to approval by the state board of education, transportation costs for teachers from one educational facility to another within the district when such transportation is provided in lieu of transporting students between educational facilities within the district.

amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) ~~Beginning with the 1980-1981 school year,~~ "Region" means development region as defined in section 462.384, subdivision 5, except that for purposes of this section, development regions 1 and 2 are one region, development regions 4 and 5 are one region, development regions 6E and 6W are one region, and development regions 7E and 7W are one region.

(c) "Total authorized cost" or "total authorized expenditure" means the sum of:

(i) all expenditures for transportation for which aid is authorized in section 124.223, plus

(ii) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12-1/2 percent per year of the cost of the fleet, plus

(iii) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33-1/3 percent per year of the cost to the district of the reconditioning.

(d) "Total authorized predicted cost" means the total authorized cost predicted by a multiple regression formula determined by the department of education.

~~(e) For the 1979-1980 school year, "regular and summer school authorized FTE's transported" means full time equivalent pupils transported under section 124.223, clause (1), during the regular school year and in conjunction with a state board approved summer school program.~~

~~(e)~~ (e) "Transportation category" means a category of transportation service provided to pupils. Each category includes transportation provided during the regular school year and in conjunction with a state board approved summer school program. For purposes of this section, transportation categories are as follows:

(i) Regular transportation is transportation services provided under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1);

(ii) Secondary vocational center transportation is transportation services provided under section 124.223, clause (3);

(iii) Handicapped transportation is transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;

(iv) Board and lodging is services provided, in lieu of transportation, under section 124.223, clauses (4) and (5);

(v) Between schools transportation is transportation services between

schools provided under section 124.223, clause (1);

(vi) Shared time regular transportation is transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;

(vii) Shared time special education transportation is transportation services for pupils attending shared time special education classes provided under section 124.223, clause (6);

(viii) To and from board and lodging facility transportation is transportation services to and from board and lodging facilities provided under section 124.223, clauses (4) and (7);

(ix) Cooperative academic and vocational transportation is transportation services provided under section 124.223, clause (9);

(x) Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10);

(g) (f) "Pupil weighting factor" means the ratio of the actual regional average cost per FTE in a particular transportation category to the actual regional average cost per FTE in the regular transportation category.

(h) (g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(i) (h) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.

Sec. 4. Minnesota Statutes 1980, Section 124.225, Subdivision 1a, is amended to read:

Subd. 1a. [WEIGHTING FACTORS.] ~~For the 1980-1981~~ Each school year ~~and thereafter~~, in computing transportation aid, the department of education shall establish the pupil weighting factors for each transportation category for each region using transportation cost data for the second prior school year. The department shall use the statewide pupil weighting factor for any transportation category for which a region had no experience during the second prior school year.

Sec. 5. Minnesota Statutes 1980, Section 124.225, Subdivision 2, is amended to read:

Subd. 2. [1981-1982 FORMULA.] For the ~~1979-1980~~ 1981-1982 school year, the state shall pay to each school district for all pupil transportation and related services for which the district is authorized by law to receive state aid an amount determined according to this section. A ~~linear~~ multiple regression formula shall be determined ~~through stepwise multiple regression analysis~~ for each planning region by the department of education, using the terms specified in subdivision 4 4a, to maximize the amount of variance accounted for between the total actual authorized cost per *weighted* FTE for the ~~1977-1978~~ 1979-1980 school year and the total authorized predicted cost per *weighted* FTE for the ~~1977-1978~~ 1979-1980 school year. The formula determined for each region shall be used to determine a total authorized predicted cost per FTE for the

~~1977-1978~~ 1979-1980 school year for each district in the region. The amount determined for each district shall be adjusted according to the provisions of subdivisions 5 and 7a.

Sec. 6. Minnesota Statutes 1980, Section 124.225, Subdivision 3, is amended to read:

Subd. 3. [1982-1983 FORMULA.] For the ~~1980-1981~~ 1982-1983 school year, the state shall pay to each school district for all pupil transportation and related services for which the district is authorized by law to receive state aid an amount determined according to this section. A multiple regression formula shall be determined through stepwise multiple regression analysis for each region by the department of education, using the terms specified in subdivision 4a, to maximize the amount of variance accounted for between the total actual authorized cost per weighted FTE for the ~~1978-1979~~ 1980-1981 school year and the total authorized predicted cost per weighted FTE for the ~~1978-1979~~ 1980-1981 school year. The formula determined for each region shall be used to determine a total authorized predicted cost per weighted FTE for the ~~1978-1979~~ 1980-1981 school year for each district in the region. The amount determined for each district shall be adjusted according to the provisions of subdivisions 6 and 7a.

Sec. 7. Minnesota Statutes 1980, Section 124.225, Subdivision 4a, is amended to read:

Subd. 4a. [FORMULA TERMS.] To predict the total authorized cost per weighted FTE for each district ~~beginning in the 1980-1981 school year~~ pursuant to subdivisions 2 and 3, each regional multiple regression formula shall use the following terms and their squares for each district in the region:

- (1) The area of the district measured in square miles;
- (2) The district's average daily membership;
- (3) The total number of authorized FTE's transported by the district;
- (4) The total number of authorized FTE's transported by the district in the handicapped, shared time special education, and to and from board and lodging facility transportation categories as a percentage of the total number of authorized FTE's transported by the district;
- (5) The number of authorized FTE's transported by the district in the board and lodging transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (6) The number of authorized FTE's transported by the district in the between schools transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (7) The number of authorized FTE's transported by the district in the shared time regular transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (8) The number of authorized FTE's transported by the district in the secondary vocational center transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (9) The number of authorized FTE's per square mile transported by the

district in the regular transportation category;

(10) The number of authorized FTE's per square mile transported by the district in the handicapped transportation category;

(11) The number of authorized FTE's transported by the district in the regular transportation category as a percentage of the district's average daily membership;

(12) An index of the district's shape computed by the department of education based on a comparison of the perimeter of the district to the perimeter of a circle with the same square mile area as the district;

(13) The percentage of the district's square mile area which is classified by the state planning agency as water-covered or marshland;

(14) The number of 40 acre parcels of land in the district which are contiguous to or intersected by unpaved roads, as a percentage of the number of 40 acre parcels of land in the district which are contiguous to or intersected by any roads, paved or unpaved. The number of 40 acre parcels of each type shall be obtained from the state planning agency;

(15) The percentage of the district's square mile area which is classified by the state planning agency as having a slope of land exceeding six percent;

(16) The number of authorized FTE's transported to nonpublic schools by the district in the regular transportation category as a percentage of the total number of authorized FTE's transported by the district in the regular transportation category.

(17) The percentage of the district's square mile area which is classified by the state planning agency as extractive.

Sec. 8. Minnesota Statutes 1980, Section 124.225, Subdivision 5, is amended to read:

Subd. 5. [1981-1982 INFLATION FACTOR.] The total authorized predicted cost per FTE determined for a district under subdivision 2 for ~~1977-1978~~ 1979-1980 shall be increased by ~~27~~ 28 percent.

Sec. 9. Minnesota Statutes 1980, Section 124.225, Subdivision 6, is amended to read:

Subd. 6. The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for ~~1978-1979~~ 1980-1981 shall be increased by ~~29~~ 25 percent.

Sec. 10. Minnesota Statutes 1980, Section 124.225, Subdivision 7a, is amended to read:

Subd. 7a. (1) Each district's adjusted total authorized predicted cost per weighted FTE determined for ~~the 1980-1981 school year~~ and each school year thereafter according to ~~subdivision~~ subdivisions 5 or 6, as applicable, shall be compared to the total actual expenditure per weighted FTE for authorized transportation for that district for that year to determine the district's aid entitlement per weighted FTE for that year.

(2) If the adjusted total authorized predicted cost per weighted FTE is greater than the district's actual authorized expenditure per weighted FTE, its aid

entitlement per weighted FTE shall equal the adjusted predicted cost per weighted FTE minus 20 percent of the first \$10 of difference between the adjusted total authorized predicted cost per weighted FTE and the actual expenditure per weighted FTE; minus 40 percent of the next \$10; 60 percent of the next \$10; minus 75 percent of the difference which exceeds \$30.

(3) If the adjusted total authorized predicted cost per weighted FTE is less than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted total authorized predicted cost per weighted FTE plus 20 percent of the first \$10 of difference between the adjusted predicted cost per weighted FTE and the actual expenditure per weighted FTE; plus 40 percent of the next \$10; plus 60 percent of the next \$10; plus 75 percent of the difference which exceeds \$30.

Sec. 11. Minnesota Statutes 1980, Section 124.225, Subdivision 8a, is amended to read:

Subd. 8a. [AID COMPUTATION.] A district's aid pursuant to this section for ~~the 1980-1981~~ *each* school year ~~and each year thereafter~~ shall equal the district's aid entitlement per weighted FTE determined according to subdivision 7a times the total number of authorized weighted FTE's transported in the district in that school year, minus the amount raised by one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year.

Sec. 12. Minnesota Statutes 1980, Section 124.225, Subdivision 8b, is amended to read:

Subd. 8b. [EXCESS HANDICAPPED AID.] (a) In addition to the amount authorized in subdivision 8a, for ~~the 1980-1981~~ *each* school year, the state shall pay aid for the excess costs of providing transportation for handicapped students as provided in this subdivision to a district where:

- (1) the average daily membership in that year is 2,500 or fewer pupils,
- (2) the total actual authorized expenditures exceed the aid entitlement, and

(3) the actual authorized expenditure per weighted FTE in the handicapped and board and lodging categories exceeds 140 percent of the aid entitlement per weighted handicapped and board and lodging FTE.

(b) This aid shall equal 80 percent of the difference between:

(1) the *district's* actual authorized ~~expenditure per weighted~~ *expenditures for transporting* handicapped and board and lodging ~~FTE FTE's~~ and

(2) 140 percent of the *district's* aid entitlement ~~per weighted~~ *for transportation of* handicapped and board and lodging ~~FTE FTE's~~.

(3) For purposes of the computation of aid pursuant to this subdivision, the amounts of the actual authorized expenditure and the aid entitlement shall exclude amounts attributable to depreciation. Aid pursuant to this subdivision shall not exceed the difference between the district's total actual authorized expenditures and its total aid entitlement.

Sec. 13. Minnesota Statutes 1980, Section 124.225, Subdivision 9, is amended to read:

Subd. 9. [REPORTS.] Each district shall report to the department before

July 1 of each year an estimate for the next school year of the total number of FTE's transported by transportation category and an estimate of the district's total actual authorized transportation expenditure by transportation category. The district's aid shall be determined for purposes of the first three transportation aid payments for the school year using these estimates. ~~Before August 15, 1980, each district shall provide the department with the information for the 1979-1980 school year which the department determines is necessary to compute the district's actual authorized expenditure per FTE for purposes of the computation in subdivision 7 and the district's actual total number of FTE's transported for purposes of the aid computation in subdivision 8.~~ Before August 15, 1981, and each August 15 thereafter year, each district shall provide the department with the information for the preceding school year which the department determines is necessary to compute the district's actual authorized expenditure per weighted FTE for purposes of the computation in subdivision 7a and the district's actual total number of weighted FTE's transported for purposes of the aid computation in subdivision 8a. The district's final transportation aid payment for the school year shall be based on these computations.

Sec. 14. Minnesota Statutes 1980, Section 124.225, Subdivision 11, is amended to read:

Subd. 11. Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, *for fiscal years through 1982*, the state shall pay to each school district 30 percent of its estimated school transportation aid entitlement for the fiscal year on or before each of the following dates: August 31, December 31, and March 31. The final aid distribution to each district shall be made on or before October 31 of the following fiscal year.

Sec. 15. Minnesota Statutes 1980, Section 124.225, is amended by adding a subdivision to read:

Subd. 11a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in fiscal year 1983, the state shall pay each school district its estimated school transportation aid entitlement for the fiscal year according to the following schedule: 30 percent on or before August 31; 30 percent on or before December 31; and 25 percent on or before March 31. The final aid distribution to each district shall be made on or before October 31 of the following fiscal year.

Sec. 16. [REPEALER.] *Minnesota Statutes 1980, Section 124.225, Subdivisions 4, 7 and 8 are repealed.*

Sec. 17. [APPROPRIATION.]

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. [TRANSPORTATION AID.] For transportation aid there is appropriated:

\$125,976,000	1982
\$130,844,400	1983

(a) The appropriation for 1982 includes \$10,933,000 for aid for fiscal year

1981 payable in fiscal year 1982 and \$115,043,000 for aid for fiscal year 1982 payable in fiscal year 1982.

(b) The appropriation for 1983 includes \$12,749,000 for aid for fiscal year 1982 payable in fiscal year 1983 and \$118,096,400 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. Any unexpended balance remaining from the appropriation in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for any purposes indicated is insufficient, the aid for that year shall be prorated among all qualifying districts. The state shall not be obligated for any amounts in excess of the total appropriations in this section.

ARTICLE III

SPECIAL EDUCATION

Section. 1. Minnesota Statutes 1980, Section 120.17, Subdivision 1a, is amended to read:

Subd. 1a. (a) In the 1981-1982 and 1982-1983 school years, 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.

(b) In the 1983-1984 school year, school districts may provide special instruction and services through the school year in which the pupil reaches age 24 for trainable mentally retarded pupils as defined in section 120.03, subdivision 4.

(c) In the 1984-1985 school year, school districts may provide special instruction and services through the school year in which the pupil reaches age 23 for trainable mentally retarded pupils as defined in section 120.03, subdivision 4.

(d) In the 1985-1986 school year, school districts may provide special instruction and services through the school year in which the pupil reaches age 22 for trainable mentally retarded pupils as defined in section 120.03, subdivision 4.

(e) 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 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.

(f) This subdivision shall expire on June 30, ~~1983~~ 1986.

Sec. 2. Minnesota Statutes 1980, Section 120.17, Subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of: (1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child; (2) a proposed placement of their child in, transfer from or to or denial of placement in a special education program; or (3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian; provided the refusal of a parent or guardian to provide this consent may be overridden by the decision in a hearing held pursuant to clause (d) at the district's initiative after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (c);

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a);

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if after at least one conciliation conference the parent or guardian continues to object to: (1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child; (2) the proposed placement of their child in, or transfer of their child to a special education program; (3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program; (4) the proposed provision or addition of special education services for their child; or (5) the proposed denial or removal of special education services for their child.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with his objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45 day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the commissioner by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

(1) be in writing;

(2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the commissioner of the basis and reason for the decision;

(3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the commissioner within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The commissioner shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The commissioner shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 15. The commissioner may grant specific extensions of time beyond the 30 day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(g) The decision of the commissioner shall be final unless appealed by the parent or guardian or school board to the district court of the county in which the school district in whole or in part is located. The scope of judicial review shall be as provided in chapter 15.

(h) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the

child shall remain in his current educational placement and shall not be denied initial admission to school.

(i) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

~~(j) This subdivision shall expire on June 30, 1981. The department of education shall report to the education committees of the legislature on or before January 1, 1981, on the impact of the amendments made in this subdivision by Laws 1979, Chapter 334 and on the advisability of amending this subdivision to read as it reads in Minnesota Statutes 1978.~~

Sec. 3. Minnesota Statutes 1980, Section 120.17, Subdivision 4, is amended to read:

Subd. 4. [SPECIAL INSTRUCTIONS FOR NON-RESIDENT CHILDREN.] When a school district provides instruction and services outside the district of residence, board and lodging, and any tuition to be paid, shall be paid by the district of residence. ~~Transportation costs shall be paid by the district providing the transportation, and the state shall reimburse the district within the limits provided by law.~~ The tuition rate to be charged for any handicapped child shall be the actual cost of providing special instruction and services to the child including a proportionate amount for capital outlay and debt service but not including any amount for transportation, minus the amount of special aid for handicapped children received on behalf of that child. If the boards involved do not agree upon the tuition rate, either board may apply to the commissioner to fix the rate. The commissioner shall then set a date for a hearing, giving each board at least ten days' notice, and after the hearing the commissioner shall make his order fixing the tuition rate, which shall be binding on both school districts.

When a district provides instruction and services in a day program outside the district of residence, the district of residence shall be responsible for providing transportation. When a district provides instruction and services requiring board and lodging or placement in a residential program outside the district of residence, the nonresident district of attendance shall be responsible for providing transportation. Transportation costs shall be paid by the district responsible for providing transportation and the state shall reimburse that district within the limits provided by law.

For the purposes herein, any school district may enter into an agreement, upon such terms and conditions as may be mutually agreed upon, to provide special instruction and services for handicapped children. In that event, one of the participating units may employ and contract with necessary qualified personnel to offer services in the several districts, and each participating unit shall reimburse the employing unit a proportionate amount of the actual cost of providing the special instruction and services, less the amount of state special education aid, which shall be claimed in full by the employing district.

Sec. 4. Minnesota Statutes 1980, Section 120.17, Subdivision 5a, is amended to read:

Subd. 5a. [SUMMER PROGRAMS.] ~~Every~~ A district may provide summer programs for handicapped children living within the district, ~~including and~~ nonresident children temporarily placed in the district pursuant to subdivisions

6 or 7. Prior to March 31 or 30 days after the handicapped child is placed in the district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7, of its intention to provide these programs. Notwithstanding any contrary provisions in subdivisions 6 and 7, the school district providing the special instruction and services shall apply for ~~all state aid for the summer program, including special state education aid pursuant to section 124.32, and foundation aid and transportation aid for the summer program.~~ 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, *including the cost of board and lodging*, may be billed to the district of the child's residence and shall be paid by the resident district. *Transportation costs shall be paid by the district responsible for providing transportation pursuant to subdivisions 6 or 7 and the state shall reimburse that district within the limits provided by law.*

Sec. 5. Minnesota Statutes 1980, Section 120.17, Subdivision 6, is amended to read:

Subd. 6. [PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.] The responsibility for special instruction and services for a handicapped child temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The school district of residence of ~~such~~ a child shall be the district in which his parent resides, if living, or his guardian, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) When a child temporarily is placed for care and treatment in a day program located in another district and the child continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation and an appropriate educational program for the child. The district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district.

~~(b)~~ *(c) When a child temporarily is placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing the instruction ~~shall maintain~~ transportation and an appropriate educational program for ~~such a~~ the child and shall bill the district of the child's residence for the actual cost of providing the program, as outlined in subdivision 4, except that the board, lodging, and treatment costs incurred in behalf of a handicapped child placed outside of the school district of his residence by the commissioner of public welfare or the commissioner of corrections or their agents, for reasons other than for making provision for his special educational needs shall not become the responsibility of either the district providing the instruction or the district of the child's residence.*

~~(e)~~ *(d) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim foundation aid for the child as provided by law. ~~Special~~ Transportation costs shall be paid by the district responsible for providing the transportation and the state shall reimburse ~~the~~*

that district for such costs within the limits provided by law.

Sec. 6. Minnesota Statutes 1980, Section 120.17, Subdivision 7, is amended to read:

Subd. 7. [PLACEMENT IN STATE INSTITUTION; RESPONSIBILITY.] Responsibility for special instruction and services for a handicapped child placed in a state institution on a temporary basis shall be determined in the following manner:

(a) The legal residence of such child shall be the school district in which his parent resides, if living, or his guardian;

(b) When the educational needs of such child can be met through the institutional program, the costs for such instruction shall be paid by the department to which the institution is assigned;

(c) When it is determined that such child can benefit from public school enrollment, provision for such instruction shall be made in the following manner:

(1) Determination of eligibility for special instruction and services shall be made by the commissioner of education and the commissioner of the department responsible for the institution;

(2) The school district where the institution is located shall provide be responsible for providing transportation and an appropriate educational program for the child and shall make a tuition charge to the child's district of residence for the actual cost of providing the program;

(3) The district of the child's residence shall pay the tuition and other program costs including the unreimbursed excluding transportation costs and may claim foundation aid for the child. Special Transportation shall be provided by the district providing the education program costs shall be paid by the district responsible for providing transportation and the state shall reimburse such that district within the limits provided by law.

Sec. 7. Minnesota Statutes 1980, Section 120.17, is amended by adding a subdivision to read:

Subd. 11. [TRANSPORTATION AID AGREEMENTS.] Notwithstanding the provisions of subdivisions 4, 5a, and 6, when a child receives special instruction and services in a day program outside the resident district, the resident district and the nonresident district of attendance or placement may enter into an agreement providing for the nonresident district to pay the cost of any particular transportation categories specified in section 124.225, subdivision 1, and claim transportation aid for those categories. In this case, the nonresident district may not obtain any payment from the resident district for the categories covered by the agreement.

Sec. 8. [121.201] [HEARING IMPAIRED EDUCATIONAL SUPPORT SERVICES.]

Subdivision 1. [RESPONSIBILITY OF BOARD.] The state board of education shall coordinate support services for hearing impaired persons to assure access to educational opportunities. Services may be provided to adult students who are hearing impaired and (a) have been denied access to educational opportunities because of the lack of support services or (b) are presently

enrolled or (c) are contemplating enrollment in an educational program and would benefit from support services. The state board shall also be responsible for conducting inservice training for public and private agencies regarding the needs of hearing impaired persons in the adult education system.

Subd. 2. [SUPPORT SERVICES.] The following are support services that may be included in this program:

(a) Interpreter services to provide translation for an individual or a group of students; or

(b) Notetaker services to convert spoken language to written language when the student must maintain visual contact with other persons such as an interpreter or instructor.

Subd. 3. [PROGRAMS INCLUDED.] Support services include:

(a) Local school district adult education programs;

(b) Adult vocational school programs; and

(c) Avocational education programs sponsored by public or private community agencies.

Sec. 9. Minnesota Statutes 1980, Section 123.39, is amended by adding a subdivision to read:

Subd. 14. The board may transport handicapped pupils as defined in section 120.03, subdivision 3, to a hospital or treatment center for the purposes of treatment and instruction when an approved instructional program, as determined by the standards of the state board, is provided at the facility.

Sec. 10. Minnesota Statutes 1980, Section 124.212, Subdivision 9a, is amended to read:

Subd. 9a. Shared time pupils are defined as those pupils who attend public school programs 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 and, upon agreement, the district of attendance may bill the resident district for any unreimbursed education costs; ~~including~~ but not for unreimbursed transportation costs. *The agreement may, however, provide for the resident district to pay the cost of any of the particular transportation categories specified in section 124.225, subdivision 1, and in this case, aid for those categories shall be paid to the district of residence rather than to the district of attendance.*

(e) Minutes of enrollment in a public school during which a nonpublic school pupil receives services pursuant to section 123.935 shall not be used in the computation of shared time foundation aid pursuant to this subdivision.

Sec. 11. Minnesota Statutes 1980, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) 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 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 that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school, *between home and a hospital or treatment center where approved instructional programs are offered*, and within the school plant, necessary transportation of handicapped pupils during the school day to other buildings, *including hospitals and treatment centers, where approved instructional programs are offered* within or outside the district where services are provided; and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that the pupil reside at least one mile from school in order for the transportation to qualify for aid;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(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, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) Services described in clauses (1) to (7) and clauses (9) and (10) when provided in conjunction with a state board approved summer school program;

(9) Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 12. [124.273] [LIMITED ENGLISH PROFICIENCY PROGRAMS AID.]

Subdivision 1. [TEACHERS SALARIES.] Beginning with the 1981-1982 school year, the department shall pay a school district 70 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 70 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

Subd. 2. [PROHIBITION.] The department of education shall not pay a school district an amount exceeding 70 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

Subd. 3. [PARTICIPATION OF NONPUBLIC SCHOOL PUPILS.] In counting the number of pupils of limited English proficiency for purposes of this section, districts may include pupils of limited English proficiency who attend nonpublic schools in the district. A district which counts those pupils and receives aid pursuant to this section shall offer those pupils the same programs on the same terms that it offers to pupils of limited English proficiency who attend the public school. A program provided for a nonpublic school pupil pursuant to this subdivision shall be provided at a public school or a neutral site as defined in section 123.932, subdivision 9. Nonpublic school pupils served by a district's educational program for pupils of limited English proficiency shall be counted for average daily membership pursuant to section 124.212, subdivision 9a.

Subd. 4. [APPLICATION DATES.] (a) A district wishing to receive aid pursuant to this section shall submit an application by October 15, February 15, or June 15 of each year. Aid paid pursuant to this section shall be based on the number of pupils of limited English proficiency enrolled in the district at the

time the district submits its first application or the number of additional such pupils enrolled at the time subsequent applications are submitted.

(b) All applications shall be submitted to the department in the manner prescribed by the commissioner. Each application shall include (1) the number of pupils or additional pupils enrolled who meet the criteria in section 126.262, subdivision 2; (2) the number, dates of hire, full time equivalency, and salaries of essential licensed personnel or additional essential licensed personnel employed in the district's educational program for pupils of limited English proficiency who meet the criteria in section 126.262, subdivision 3; and (3) any other information deemed necessary by the commissioner to implement this section. School districts may submit joint applications for aid pursuant to this section and may share essential instructional personnel employed in educational programs for pupils of limited English proficiency.

Subd. 5. [NOTIFICATION; AID PAYMENTS.] The department shall inform each applicant district of the amount of aid it will receive pursuant to this section within a month after the application deadline, and the department shall pay the aid within 15 days after notifying the district that it will receive aid. Beginning with the 1982-1983 school year, 15 percent of the aid shall be withheld until the final aid distribution to each district made on or before October 31 of the following school year.

Subd. 6. [RECORDS; AUDIT.] A district which applies for aid pursuant to this section shall maintain records which support the information contained in all of its applications. The commissioner of education may audit these records upon request. A district which receives aid pursuant to this section shall keep such additional records in the manner prescribed by the commissioner to ensure that an educational program for pupils of limited English proficiency is implemented and operated in accordance with sections 126.261 to 126.269.

Subd. 7. [MONEY FROM OTHER SOURCES.] A school district providing a program for pupils of limited English proficiency shall be eligible to receive moneys for these programs from other government agencies and from private sources when these moneys are available.

Sec. 13. Minnesota Statutes 1980, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. The state shall pay to any district for the employment in its educational program for handicapped children the greater of:

(1) (a) 69 percent of the salary of essential personnel, but this amount shall not exceed \$12,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district; plus

(b) 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; or

(2) 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

~~(3) A district shall receive aid pursuant to only one clause of clauses (1) and (2) for a school year.~~

Sec. 14. Minnesota Statutes 1980, Section 124.32, Subdivision 6, is amended to read:

Subd. 6. [FULL STATE PAYMENT.] 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 treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following ~~such the~~ procedure ~~as requested~~ *specified* by the commissioner of education ~~a~~, ~~the district providing instruction and services for such handicapped child~~ may bill the state the actual cost incurred in providing ~~said the~~ 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. The limit set forth in subdivision 4 shall apply to aid paid pursuant to this subdivision.~~

To the extent possible, the commissioner shall obtain reimbursement from another state for the cost of serving any child whose parent or guardian resides in that state. The commissioner may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasury and placed in the general fund.

Sec. 15. Minnesota Statutes 1980, Section 124.32, Subdivision 9, is amended to read:

Subd. 9. Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, *for school years through 1981-1982*, 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 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following year.

Sec. 16. Minnesota Statutes 1980, Section 124.32, is amended by adding a subdivision to read:

Subd. 9a. [PAYMENT SCHEDULE.] *Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in school year 1982-1983, the state shall pay each school district its estimated special education aid for the school year according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following school year.*

Sec. 17. Minnesota Statutes 1980, Section 126.262, Subdivision 8, is amended to read:

Subd. 8. "Educational program for *pupils of limited English proficient students proficiency*" means an English as a second language program, bilingual education program, or both an English as a second language and a bilingual education program.

Sec. 18. Minnesota Statutes 1980, Section 126.54, Subdivision 1, is amended to read:

Subdivision 1. [GRANTS; PROCEDURES.] For fiscal year ~~1981~~ years 1982 and 1983, the state board of education shall make grants to no fewer than six school year ~~pilot~~ American Indian language and culture education programs. At least three ~~pilot~~ programs shall be in urban areas and at least three shall be on or near reservations. The board of a local district, a participating school or a group of boards may develop a proposal for grants in support of ~~pilot~~ American Indian language and culture education programs. Proposals may provide for contracts for the provision of program components by non-sectarian nonpublic, community, tribal or alternative schools. The state board shall prescribe the form and manner of application for grants, and no grant shall be made for a proposal not complying with the requirements of sections 126.45 to 126.55. The state board shall submit all proposals to the state advisory task force on American Indian language and culture education programs for its recommendations concerning approval, modification, or disapproval and the amounts of grants to approved programs.

Sec. 19. [REPEALER.]

Minnesota Statutes 1980, Section 120.17, Subdivision 3c, and 126.263 are repealed.

Sec. 20. [SPECIAL AND COMPENSATORY EDUCATION AID; APPROPRIATION.]

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 aid to educational programs for pupils of limited English proficiency there is appropriated:

- | | |
|------------------|--|
| (a) \$ 3,025,195 | for aid for fiscal year 1982
payable in fiscal year 1982; and |
| (b) \$ 3,612,945 | for aid for fiscal year 1983
payable in fiscal year 1983. |

Any unexpended balance remaining from the appropriations in this subdivision for fiscal year 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this subdivision shall be expended for a purpose other than the purpose indicated.

Subd. 3. [SPECIAL AND COMPENSATORY EDUCATION AIDS; APPROPRIATION.] For special education aid in 1982 there is appropriated:

- | | |
|------------------|--|
| (a) \$93,908,820 | for aid for fiscal year 1982
payable in fiscal year 1982; |
| (b) \$8,670,700 | for the payment of the final special
education aid distribution to each
district for fiscal year 1981,
payable in fiscal year 1982; |
| (c) \$ 4,500,000 | for special education aid for 1981
summer school programs payable in
fiscal year 1982; and |
| (d) \$ 578,000 | for aid pursuant to section 124.32,
subdivision 5, payable in |

fiscal year 1982.

Any unexpended balance remaining from the appropriations in this subdivision for fiscal year 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in clauses (a), (b), (c) or (d) of this subdivision shall be expended for a purpose other than the purpose indicated by that clause.

Subd. 4. For special education aid in 1983 there is appropriated:

- (a) \$96,579,050 *for aid for fiscal year 1983 payable in fiscal year 1983;*
- (b) \$10,434,310 *for the payment of the final special education aid distribution to each district for fiscal year 1982, payable in fiscal year 1983;*
- (c) \$ 4,887,000 *for special education aid for 1982 summer school programs payable in fiscal year 1983; and*
- (d) \$ 630,600 *for aid pursuant to section 124.32, subdivision 5, payable in fiscal year 1983.*

None of the amounts appropriated in clauses (a), (b), (c) or (d) shall be expended for a purpose other than the purpose indicated by that clause.

Subd. 5. For grants to American Indian language and culture education programs pursuant to section 126.54, subdivision 1, there is appropriated:

- (a) \$ 525,000 *for 100 percent of grant aid for fiscal year 1982 payable in fiscal year 1982; and*
- (b) \$ 446,250 *for 85 percent of grant aid for fiscal year 1983 payable in fiscal year 1983.*

Any unexpended balance remaining from the appropriation in this subdivision for fiscal year 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this subdivision shall be expended for a purpose other than the purpose indicated.

Subd. 6. For payment of support services for hearing impaired persons pursuant to section 8 of this article there is appropriated:

- (a) \$ 40,000 *for fiscal year 1982; and*
- (b) \$ 60,000 *for fiscal year 1983.*

Subd. 7. If the appropriation amount in subdivisions 2, 3, 4 and 5 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.

ARTICLE IV

COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1980, Section 124.26, Subdivision 1, is

amended to read:

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. The state shall pay these aids 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. 2. Minnesota Statutes 1980, Section 124.26, Subdivision 4, is amended to read:

Subd. 4. [PAYMENT SCHEDULE THROUGH 1982.] *For fiscal years through 1982, 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: August 31, December 31, and March 31. The final aid distribution to each district shall be made on or before by October 31 of the following fiscal year.*

Sec. 3. Minnesota Statutes 1980, Section 124.26, is amended by adding a subdivision to read:

Subd. 5. [PAYMENT SCHEDULE.] *Starting in fiscal year 1983, the state shall pay to each school district its estimated adult education aid entitlement according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following fiscal year.*

Sec. 4. Minnesota Statutes 1980, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. ~~In fiscal year 1981 and each year thereafter,~~ *In fiscal years 1982 and 1983 the state shall pay the greater of 75 65 cents per capita or \$7,000 \$6,100 to each school district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or \$1 per capita reduced by any deduction to the community service levy made pursuant to section 275.125, subdivision 9, clause (2), for use in that year.*

Sec. 5. Minnesota Statutes 1980, Section 124.271, is amended by adding a subdivision to read:

Subd. 2a. *Beginning in fiscal year 1984, each district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied pursuant to section 275.125, subdivision*

8, shall receive in state aid the greater of the following:

(a) \$5 per capita minus the amount raised by .9 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year; or

(b) 75 cents per capita; or

(c) \$7,000.

Provided, however, that the amount of aid shall not exceed the amount certified pursuant to section 275.125, subdivision 8. For purposes of computing the aid limitation pursuant to this subdivision, the amount certified pursuant to section 275.125, subdivision 8, shall not reflect reductions pursuant to section 275.125, subdivision 9.

Sec. 6. Minnesota Statutes 1980, Section 124.271, Subdivision 4, is amended to read:

Subd. 4. Each district providing community education programs pursuant to sections 121.85 to 121.88 shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these community education programs. All funds received pursuant to this section and to the levy authorized in section 275.125, subdivision 8, shall be utilized solely for the purposes of community education programs. *These funds may be used to reimburse G.E.D. testing centers for each battery of G.E.D. tests or each individual test administered by that center.*

Sec. 7. Minnesota Statutes 1980, Section 124.271, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT SCHEDULE THROUGH 1982.] All community education programs aid shall be distributed by the state aids, statistics and research section of the state department of education. *For fiscal years through 1982 aid shall be distributed prior to November 1 each year.*

Sec. 8. Minnesota Statutes 1980, Section 124.271, is amended by adding a subdivision to read:

Subd. 6. [PAYMENT SCHEDULE.] Starting in fiscal year 1983, the state shall pay to each school district 85 percent of its community education program aid for the current fiscal year prior to November 1. The final 15 percent aid distribution to each district shall be made prior to November 1 of the following fiscal year.

Sec. 9. Minnesota Statutes 1980, Section 275.125, Subdivision 8, is amended to read:

Subd. 8. (1) *In 1981* a district which has established a community education advisory council pursuant to section 121.88, may levy an amount of money raised by the greater of (A) ~~\$2.50~~ \$3 per capita, or (B) 110 percent of the amount certified pursuant to this subdivision in ~~1976~~ 1980. These levies shall be used for community services including 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~~ 1980 shall not reflect reductions pursuant to subdivision 9.

(2) *Except as provided in clauses (3) and (4), in 1982, and each year*

thereafter, a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .9 mill times the most recent adjusted assessed valuation of the district, but no more than \$5 times the population of the district. This amount shall be reduced to \$4.25 per capita for districts which receive aid of 75 cents per capita pursuant to section 124.271, subdivision 2a, clause (b).

(3) Districts which had revenue in 1983 from community education aid and levy in excess of \$5 times the population of the district, may levy the amount of the 1983 revenue less \$5 times the population of the district in addition to the amount in clause (2).

(4) Districts which receive aid pursuant to section 124.271, subdivision 2a, clause (c) may levy the amount of their 1983 revenue from community education aid and levy minus \$7,000.

(2) (5) 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. 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.

(3) (6) 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. 10. [REPEALER.]

Minnesota Statutes 1980, Sections 124.26, Subdivision 3, and 124.271, Subdivision 1a, are repealed.

Sec. 11. [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:

\$1,128,200	1982,
\$1,242,400	1983.

The amount appropriated for fiscal year 1982 includes \$97,800 for aid for fiscal year 1981 payable in fiscal year 1982, and \$1,030,400 for aid for fiscal year 1982 payable in fiscal year 1982.

The amount appropriated for fiscal year 1983 includes \$114,500 for aid for fiscal year 1982 payable in fiscal year 1983, and \$1,127,900 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [COMMUNITY EDUCATION AID.] For community education aid, there is appropriated:

\$3,530,000	1982,
\$3,200,000	1983.

Subd. 4. Any unexpended balance remaining from the appropriation in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either 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.

ARTICLE V

VOCATIONAL AID

Section 1. Minnesota Statutes 1980, Section 121.902, is amended by adding a subdivision to read:

Subd. 1a. By July 1, 1982, the council shall recommend to the state board uniform property accounting and reporting standards for area vocational-technical institutes. The state board shall adopt and maintain uniform property accounting and reporting standards for area vocational-technical institutes to account and report individual property records for fixed assets. These standards shall include provisions for date of acquisition, historical cost, depreciated value, expected useful life, and replacement cost.

Sec. 2. Minnesota Statutes 1980, Section 121.931, Subdivision 6, is amended to read:

Subd. 6. [DATA STANDARDS.] The state board shall adopt rules containing standards for financial, property, student and ~~payroll/personnel~~ personnel/payroll data and any other data included in ESV-IS. For financial data, the uniform financial accounting and reporting standards adopted pursuant to section 121.902, subdivision 1, shall satisfy the requirement of this subdivision. For property data, the uniform property accounting and reporting standards adopted pursuant to section 1 of this article shall satisfy the requirement of this subdivision. The state board shall consider the recommendations of the advisory task forces on uniform data standards for student reporting and ~~payroll/personnel~~ personnel/payroll reporting and the ESV computer council in adopting the standards for student data and ~~payroll/personnel~~ personnel/payroll data. The state board shall ensure that the standards for different types of data are consistent with each other, and for this purpose shall consider the recommendations of the advisory task forces on uniform data standards for student reporting and personnel/payroll reporting, the advisory council on uniform financial accounting and reporting standards, and the ESV computer council. The data standards for each type of data shall include:

(a) A standard set of naming conventions for data elements;

(b) A standard set of data element definitions; and

(c) A standard transaction processing methodology which uses the defined data elements, specifies mathematical computations on those data elements and specifies output formats.

The state board, with the advice and assistance of the ESV computer council,

shall monitor and enforce compliance with the data standards.

Sec. 3. Minnesota Statutes 1980, Section 121.934, Subdivision 7, is amended to read:

Subd. 7. [ADVISORY DUTIES.] (a) Pursuant to section 121.931, the ESV computer council shall advise and assist the state board in:

- (1) the development of the long range plan and the systems architecture plan;
- (2) the development of applications software for ESV-IS and SDE-IS;
- (3) the approval of the creation and alteration of regional management information centers;
- (4) the approval of the use by districts of alternative management information systems;
- (5) the statewide applicability of alternative management information systems proposed by districts; and
- (6) the approval of annual and biennial plans and budgets of regional management information centers; and
- (7) the monitoring and enforcement of compliance with data standards.

(b) The council shall also review the data standards recommended by the council on uniform financial accounting and reporting standards and the advisory task forces on uniform standards for student reporting and personnel/payroll reporting and make recommendations to the state board concerning:

- (1) the consistency of the standards for finance, *property*, student and personnel/payroll data with one another;
- (2) the implications of the standards for implementation of ESV-IS and SDE-IS; and
- (3) the consistency of the standards with the systems architecture plan and the long-range plan.

(c) Pursuant to section 121.932, the council shall advise the department in the development and operation of SDE-IS.

Sec. 4. Minnesota Statutes 1980, Section 121.935, Subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Every regional management information center shall:

(a) Assist its affiliated districts in complying with the reporting requirements of the annual data acquisition calendar and the rules of the state board of education;

(b) Respond within 15 calendar days to requests from the department for information based on the data elements in the data element dictionary;

(c) Operate financial management information systems consistent with the uniform financial accounting and reporting standards for Minnesota school districts adopted by the state board pursuant to sections 121.90 to ~~121.92~~ 121.917;

(d) Make available to districts the opportunity to participate fully in all the subsystems of ESV-IS;

(e) Before July 1, 1981, develop a plan for the provision of services during a system failure or a disaster;

(f) ~~Beginning in 1981,~~ Comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it; and

(g) *Operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards for Minnesota area vocational-technical institutes adopted by the state board pursuant to section 1 of this article.*

Sec. 5. Minnesota Statutes 1980, Section 121.935, Subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts. A district which submits financial transactions to the center in summary form pursuant to section 121.936, subdivision 1, or which uses an approved alternative ~~financial~~ management information system pursuant to section 121.936, subdivisions 2 to 4, may apply to the commissioner to set the fee if the district and the center cannot agree on a fee. The commissioner shall issue an order setting the fee, which shall be binding on both the center and the district.

Sec. 6. Minnesota Statutes 1980, Section 121.936, is amended by adding a subdivision to read:

Subd. 1a. [MANDATORY AVTI PARTICIPATION.] (a) *By July 1, 1983, every area vocational-technical institute shall perform property accounting and reporting operations on a fixed assets property management accounting and reporting system utilizing fixed assets categories defined in accordance with the uniform property accounting and reporting standards adopted by the state board pursuant to section 1 of this article.*

(b) *Every area vocational-technical institute shall use the ESV-IS fixed assets property subsystem through the regional management information center to perform property accounting and reporting operations required by clause (a), and to provide data to the center pursuant to the data acquisition calendar.*

Sec. 7. Minnesota Statutes 1980, Section 121.936, Subdivision 2, is amended to read:

Subd. 2. [ALTERNATIVE ~~FINANCIAL~~ MANAGEMENT INFORMATION SYSTEMS.] After July 1, 1980 a district may be exempted from the requirement in subdivision 1, clause (b) (2), if it receives the approval of the state board to use an alternative financial management information system. A district permitted before July 1, 1980, to submit its financial transactions in summary form to a regional management information center pursuant to subdivision 1 may continue to submit transactions in the approved form without obtaining the approval of the state board pursuant to this subdivision. *A district may be exempted from the requirement in section 6, clause (b) of this article if it receives the approval of the state board to use an alternative fixed assets property management information system.* Any district desiring to use an alternative management information system shall submit a detailed proposal to the state board, the ESV computer council and the regional management information center with which it is affiliated. The detailed proposal shall

include a statement of all costs to the district, regional management information center or state for software development or operational services needed to provide data to the regional management information center pursuant to the data acquisition calendar.

Sec. 8. Minnesota Statutes 1980, Section 121.936, Subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE ~~FINANCIAL~~ MANAGEMENT INFORMATION SYSTEMS; EVALUATION.] The regional management information center shall evaluate the district proposal according to the approval criteria in section 121.937, subdivision 1. The regional management information center shall submit its evaluation of the district proposal to the state board and the ESV computer council for their consideration in evaluating the proposal.

The ESV computer council shall evaluate the district proposal ~~for cost effectiveness and conformance to the systems architecture plan, the long range plan, and the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92 according to the approval criteria in section 121.937, subdivision 1, clauses (a), (b), and (d).~~ Upon completion of the evaluation, the ESV computer council shall recommend to the state board that it (a) approve the proposal, (b) disapprove the proposal, or (c) approve the proposal if it is modified by the district in ways which are specified by the council.

Sec. 9. Minnesota Statutes 1980, Section 121.937, Subdivision 1, is amended to read:

Subdivision 1. The criteria adopted by the state board for approval of the creation of a regional management information center, the transfer of a school district's affiliation from one regional management information center to another, and the approval of an alternative management information system shall include:

(a) The provisions of the plans adopted by the state board pursuant to section 121.931, subdivisions 3 and 4;

(b) The cost effectiveness of the proposed center, transfer or alternative;

(c) The effect of the proposed center, transfer or alternative on existing regional management information centers; and

(d) Whichever of the following is applicable:

(i) The ability of a proposed center to comply with section 121.935, or the effect of a transfer on a center's ability to comply with section 121.935, or

(ii) The ability of a proposed alternative *financial* management information system to comply with section 121.936, subdivision 1, clauses (a) and (b) (1), or

(iii) *The ability of a proposed alternative fixed assets property management information system to comply with section 121.936, subdivision 1, clause (b) (1), and section 6, clause (a) of this article.*

Sec. 10. Minnesota Statutes 1980, Section 121.938, Subdivision 2, is amended to read:

Subd. 2. Each task force shall report to the legislature, by ~~January 1~~ Sep-

tember 1, 1981, recommendations for broad policy standards for school district reporting of student data or payroll/personnel/personnell/payroll data. Each task force shall recommend to the ESV computer council and the state board specific data standards for student data or personnel/payroll data. These data standards shall be consistent with the uniform financial accounting and reporting standards and the uniform property accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92 121.917.

Sec. 11. Minnesota Statutes 1980, Section 124.11, Subdivision 2a, is amended to read:

Subd. 2a. (a) *Through the 1981-1982 school year, ninety percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month beginning in July 1980. A final payment of the remainder of the post-secondary vocational instructional aid for each fiscal year shall be made to each district in September of the following fiscal year. The September 1980 payment shall be adjusted to reflect any deficit or excess in post-secondary vocational foundation aid received by a district in fiscal year 1980. The September 1981 final payment and the September final payment in each year thereafter shall be adjusted to reflect the actual average daily membership for the previous fiscal year. Beginning with the 1980-1981 school year, 90 percent of The estimated post-secondary vocational instructional aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in September, December, March and June November, February and May to reflect any increases or decreases in enrollment. The ten percent final payment, adjusted to reflect the actual average daily membership, shall be made to each district in September of the following fiscal year.*

(b) *Beginning in the 1982-1983 school year, eighty-five percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The 15 percent final payment, adjusted to reflect the actual average daily membership, shall be made to each district in September of the following fiscal year.*

Sec. 12. Minnesota Statutes 1980, Section 124.11, Subdivision 2b, is amended to read:

Subd. 2b. (a) *Through the 1981-1982 school year, post-secondary vocational supply aid and support services aid shall be paid to districts in equal installments on or before August 1, November 1, February 1, and May 1 of each year. Eighty percent of post-secondary vocational capital expenditure aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational capital expenditure aid shall be paid to districts on or before May 1 of each year.*

(b) *Beginning in the 1982-1983 school year, the state shall pay to districts 25 percent of post-secondary vocational supply aid and support services aid by August 1, 20 percent by November 1, 20 percent by February 1, and 20 percent by May 1 of each school year. The 15 percent final aid distribution shall be*

paid to districts by October 31 of the following school year.

Sec. 13. Minnesota Statutes 1980, Section 124.561, Subdivision 2a, is amended to read:

Subd. 2a. [BUDGETS; ALLOCATIONS.] Before ~~January 1, 1980 and~~ January 1 of each year ~~thereafter~~, each post-secondary vocational technical school shall submit to the state board for vocational education budgets for supplies, support services, and capital expenditures for the following fiscal year as prescribed in sections 124.5622, 124.5623, and 124.5624. The state board for vocational education shall authorize the allocations of post-secondary vocational supply aid, support services aid, and capital expenditure aid for each district prior to June 1 of each year after a consolidated public hearing held pursuant to subdivision 3a. No district shall increase its operating deficit for post-secondary vocational education during any fiscal year. The state board for vocational education shall promulgate rules which establish the criteria for allocations of post-secondary vocational supply aid, support services aid, and capital expenditure aid. *For the purposes of post-secondary vocational aid allocations, "component activities" shall include: regular instruction; related instruction; special needs instruction; research; instructional administration; media/library; pupil personnel services; health services; director's office; institutional services; fixed costs; work study; physical plant; and repair and betterment.* ~~By October 15, 1979, the commissioner, in cooperation with the department of finance, shall establish standards by which post-secondary vocational technical schools shall submit separate financial requests for post-secondary vocational supply aid, support services aid, and capital expenditure aid.~~

Sec. 14. Minnesota Statutes 1980, Section 124.561, Subdivision 3a, is amended to read:

Subd. 3a. [HEARING.] The consolidated public hearing held by the state board pursuant to subdivision 2a shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. ~~In 1980 and~~ Each year ~~thereafter~~ the state board shall authorize the allocations of post-secondary vocational supply aid, support services aid and capital expenditure aid for the following fiscal year at this hearing. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school budget, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed allocations of aids to the education committees of the legislature and to any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the final proposed allocations of aids. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the final proposed allocations. The report shall be available to all

affected school districts upon request for at least 15 days before the state board takes final action allocating aids. Any district which is adversely affected by the final proposed allocations of aids may demand and shall be given an opportunity to be heard in support of modification of the proposed allocations of aids at the meeting at which the state board takes final action allocating aids; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.

Sec. 15. Minnesota Statutes 1980, Section 124.561, is amended by adding a subdivision to read:

Subd. 5. [DISTRIBUTION OF FUNDS.] All moneys, whether state, federal, or from other sources, which may be made available to the department of education for carrying out the purposes of post-secondary vocational-technical education shall be apportioned by the state board for vocational education to the various school districts in accordance with law and shall be distributed by the state aids, statistics and research section of the state department of education. State board approval shall not be required for the adjustment of average daily membership, pursuant to section 124.11, subdivision 2a.

Sec. 16. Minnesota Statutes 1980, Section 124.561, is amended by adding a subdivision to read:

Subd. 6. [ACCOUNTING OF FUNDS.] Each district providing post-secondary vocational-technical education programs shall establish and maintain, in accordance with section 121.908, separate revenue, expenditure, asset and liability accounts related to these post-secondary vocational-technical education programs within funds separate from all other district funds. All post-secondary vocational aids and all tuition authorized by section 124.565 shall be utilized solely for the purposes of post-secondary vocational-technical education programs.

Sec. 17. Minnesota Statutes 1980, Section 124.5621, Subdivision 5, is amended to read:

Subd. 5. "Instructional program" means a post-secondary vocational-technical occupational program as classified with a six-digit number by the federal office department of education, excluding special needs programs and related instruction.

Sec. 18. Minnesota Statutes 1980, Section 124.5621, Subdivision 6, is amended to read:

Subd. 6. "Instructional program cost" means the actual expenditures in the base year for an instructional program at an AVTI. These actual expenditures shall be computed as follows:

- (1) instructional salaries; plus
- (2) instructional employee fringe benefits, excluding teachers' retirement and teachers' social security; plus
- (3) expenditures for instructional staff travel for instructional and professional development purposes; plus
- (4) expenditures for purchased services for instructional purposes; plus
- (5) instructional expenditures for student activities; plus

(6) other instructional expenditures detailed according to the uniform financial accounting and reporting system, not including any expenditures for supplies and equipment; minus

(7) other instructional revenues detailed according to the uniform financial accounting and reporting system, including student activity fees but not including any revenues from the sale of supplies and equipment.

These actual expenditures shall not include any expenditures or revenues which are included in the AVTI's budgets for post-secondary vocational supply aid, support services aid or capital expenditure aid.

Sec. 19. Minnesota Statutes 1980, Section 124.5621, Subdivision 12, is amended to read:

Subd. 12. In ~~the 1981 fiscal year~~ and each fiscal year thereafter, each district which operates an AVTI shall receive post-secondary vocational instructional aid computed according to the following formula:

- (a) The instructional program allowance for that AVTI in the base year, multiplied by
- (b) The AVTI staff compensation weighting for that AVTI, multiplied by
- (c) ~~47~~ 119 percent, multiplied by
- (d) The student growth or decline factor for that AVTI.

Sec. 20. Minnesota Statutes 1980, Section 124.5622, Subdivision 3, is amended to read:

Subd. 3. [POST-SECONDARY VOCATIONAL SUPPLY AID.] "Post-secondary vocational supply aid" means state funds, exclusive of post-secondary vocational capital expenditure aid, instructional aid, support services aid and debt service aid, apportioned by the state board for vocational education to local districts for the costs of ~~rents and leases~~, supplies and materials, ~~and~~ supplies for resale, ~~and rents and leases, excluding those of buildings for school purposes, computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment,~~ for all instructional programs and support services including related instruction and special needs programs. Post-secondary vocational supply aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 21. Minnesota Statutes 1980, Section 124.5622, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; SUPPLY AID ALLOCATION.] Each AVTI shall submit a budget ~~before January 1, 1980 and~~ before January 1 of each year thereafter detailing estimated costs for the following fiscal year in each applicable component activity of the AVTI's operations for each of the following expenditure categories: rents and leases, supplies and materials, and supplies for resale, for all instructional programs and support services including related instruction and special needs programs. Each budget shall also include anticipated revenues from the sales of supplies and services. A budget submitted pursuant to this section shall not include any expenditures or revenues which are included in the computation of the AVTI's budgets for post-secondary vocational support services aid or capital expenditure aid. The department of

education shall recommend an allocation of supply aid *in each component activity* for each of the expenditure categories and a total allocation of supply aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department for the distribution of supply aid, authorize an allocation of supply aid for each AVTI, and detail recommended levels of spending *in each component activity* for each expenditure category through the consolidated public hearing process prescribed in section 124.561, subdivision 3a.

Sec. 22. Minnesota Statutes 1980, Section 124.5622, Subdivision 5, is amended to read:

Subd. 5. [REPORT.] Before ~~August 1, 1980, and before~~ August 1 of each ~~subsequent~~ year, the commissioner shall issue a report on the supply aid allocation to each AVTI. This report shall include recommended aid allocations *in each component activity* for each expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. This report shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 23. Minnesota Statutes 1980, Section 124.5623, Subdivision 4, is amended to read:

Subd. 4. Each AVTI shall submit a budget before ~~January 1, 1980, and before~~ January 1 of each year ~~thereafter~~ detailing the estimated costs for the following fiscal year for all support services, including related instruction and special needs programs. These costs shall include: expenditures for support services personnel salaries, travel and fringe benefits, excluding teachers' retirement and teachers' social security; expenditures for other purchased services; and other support service expenditures. Each budget shall also include all other anticipated support service revenues. A budget submitted pursuant to this section shall not include any expenditures for or revenue from the sale of supplies and equipment. A budget submitted pursuant to this section shall not include any expenditures or revenues which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational supply aid or capital expenditure aid. The department of education shall recommend an allocation of support services aid *in each applicable component activity of the AVTI's operations* for each of the expenditure categories and a total allocation of support services aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of support services aid for each AVTI, and detail recommended levels of spending *in each component activity* for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. No aid shall be allocated for any special vocational systemwide support service project or program, excluding regional special needs programs. The estimated amount of each AVTI's net positive unappropriated general fund balance, as of June 30 of the fiscal year during which allocations are made, which exceeds 15 percent of the AVTI's operating expenditures, as defined by the uniform financial accounting and reporting system, for the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations. *The estimated amount of each AVTI's tuition revenues for the year in which the aid is paid may also be taken into account by the state board in making these allocations.*

Sec. 24. Minnesota Statutes 1980, Section 124.5623, Subdivision 5, is

amended to read:

Subd. 5. Before ~~August 1, 1980~~ and before August 1 of each subsequent year, the commissioner shall issue a report on the support services aid allocation to each AVTI. This report shall include the recommended aid allocation in each component activity for each support services expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. The fund balances and estimated tuition revenues used by the state board in determining the support services aid allocations shall be included. This report shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 25. Minnesota Statutes 1980, Section 124.5624, Subdivision 3, is amended to read:

Subd. 3. "Post-secondary vocational capital expenditure aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid and debt service aid, apportioned by the state board for vocational education to local school districts for the purpose of improving or repairing school sites, or equipping, re-equipping, repairing or improving buildings and permanent attached fixtures, *renting or leasing buildings for school purposes, or paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment*, as necessary for the conduct of post-secondary vocational-technical training. Post-secondary vocational capital expenditure aid shall be utilized solely for the purposes enumerated in this section.

Sec. 26. Minnesota Statutes 1980, Section 124.5624, Subdivision 4, is amended to read:

Subd. 4. Each AVTI shall submit a budget before ~~January 1, 1980, and~~ before January 1 of each year thereafter detailing estimated costs for the following fiscal year for equipment and other capital expenditures for all instructional programs and support services, including special needs programs and related instruction. Each budget shall also include anticipated revenues from the sale of equipment and other capital goods. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational support services aid or supply aid. The department of education shall recommend an allocation of capital expenditure aid in each applicable component activity of the AVTI's operations for each of the expenditure categories and a total allocation of capital expenditure aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of capital expenditure aid for each AVTI, and detail recommended levels of spending in each component activity for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. The amount of each AVTI's estimated net positive unappropriated capital expenditure fund balance, as of June 30 of the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations.

Sec. 27. Minnesota Statutes 1980, Section 124.5624, Subdivision 6, is amended to read:

Subd. 6. Before ~~August 1, 1980~~ and before August 1 of each subsequent

year, the commissioner shall issue a report on the capital expenditure aid allocation to each AVTI. This report shall include recommended aid allocations *in each component activity* for each capital expenditure category and an explanation comparing the amount of the authorized capital expenditure aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the capital expenditure aid allocation shall be included.

Before ~~August 1, 1980~~ *October 1, 1984*, and before ~~August 1~~ *October 1* of each subsequent year, the commissioner *also* shall ~~also~~ report ~~on the equipment inventory of each AVTI, including original cost, current value and estimated remaining useful life~~ *a five year projection of the replacement needs of fixed assets property for each of the AVTI's.*

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 28. Minnesota Statutes 1980, Section 124.565, Subdivision 3, is amended to read:

Subd. 3. Tuition at a post-secondary vocational-technical school for a Minnesota resident pupil shall be ~~\$128~~ *the amount* per quarter ~~set by the state board for vocational education~~ for each quarter the pupil is enrolled. *The state board for vocational education shall be exempt from the rulemaking requirements of chapter 15 for setting the tuition.* A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 29. Minnesota Statutes 1980, Section 124.565, Subdivision 4, is amended to read:

Subd. 4. Unless covered by a higher education reciprocity agreement relating to nonresident tuition, entered into by the Minnesota higher education coordinating board and approved by the state board for vocational education, tuition at a post-secondary vocational-technical school for a pupil who is not a resident of Minnesota shall be ~~\$320~~ *the amount* per quarter ~~for each quarter the pupil is enrolled~~ *set by the state board for vocational education.* *The state board for vocational education shall be exempt from the rulemaking requirements of chapter 15 for setting the tuition.* A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 30. Minnesota Statutes 1980, Section 124.565, Subdivision 6, is amended to read:

Subd. 6. [LENGTH OF QUARTER.] For purposes of the tuition charges ~~established in this section~~, a quarter shall consist of 60 school days. The state board for vocational education shall adopt rules providing for proportionate tuition charges for quarters which are shorter or longer than 60 days, for part time and extended day enrollment, and for programs which begin or end during a quarter. The state board shall adopt rules providing for tuition charges based on approved program lengths for programs offered on an individualized basis.

Sec. 31. Minnesota Statutes 1980, Section 124.565, Subdivision 7, is amended to read:

Subd. 7. A veteran who is a Minnesota resident shall be exempt from the tuition required by subdivision 3 until the veteran has completed the lesser of (a) ~~360~~ 440 post-secondary vocational-technical school days, or the equivalent as determined by the state board for vocational education, or (b) one post-secondary vocational-technical school program which the veteran began after July 1, 1980.

"Veteran" for the purpose of this subdivision means a person who entered active military service in any branch of the armed forces of the United States after July 1, 1961 and before July 1, 1978, was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable. ~~This subdivision shall not apply to a veteran whose tuition is paid for by any federal or state agency.~~

Sec. 32. Minnesota Statutes 1980, Section 124.572, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved for funding by the ~~state department~~ commissioner of education ~~and. Rules shall be adopted by the state board providing criteria to be applied by the commissioner in approving programs for funding pursuant to this section including: economic impact of the program; legislative mandate for the program; employment opportunities in the occupational area; and proven contribution of the program. All programs shall be operated in accordance with rules promulgated by the state board. These rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. Rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.~~

Sec. 33. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

Subd. 3a. A district that wishes to receive aid pursuant to this section for programs to serve adult vocational students shall apply to the commissioner of education by February 1 of the previous school year in a manner prescribed by the commissioner. By June 1 the commissioner shall inform each applicant district whether its programs have been approved for funding. A district that wishes to receive aid for additional adult vocational programs not included in the February 1 application shall apply at a time and in a manner prescribed by the commissioner. For the 1981-82 school year and each year thereafter, the commissioner shall not approve for funding pursuant to this section more programs than can be paid the full aid entitlement according to the adult vocational aid formula within the amounts appropriated for this section.

Sec. 34. Minnesota Statutes 1980, Section 124.572, Subdivision 8, is amended to read:

Subd. 8. [PAYMENT SCHEDULE THROUGH 1982.] *Through the 1981-1982 school year, the state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year on or before the following dates: August 31, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All adult vocational education aids shall be computed and dis-*

tributed by the state aids, statistics, and research section of the state department of education.

Sec. 35. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

Subd. 8a. [PAYMENT SCHEDULE.] Beginning in the 1982-1983 school year, the state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be paid by the district by October 31 of the following school year.

Sec. 36. Minnesota Statutes 1980, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. In the ~~1978-1979~~ 1981-1982 school year and thereafter, the state shall pay to any district or cooperative center ~~50~~ 45 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay ~~50 percent~~ a prorated amount of the costs of necessary equipment for these programs, for secondary vocational programs and senior secondary industrial arts programs, based on the appropriation for this subdivision, but not to exceed 40 percent. No secondary vocational equipment aid shall be paid beginning with the 1982-1983 school year. The state shall pay ~~50~~ 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers and ~~50~~ 45 percent of the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes. The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries, equipment and travel which exceeds 100 percent of the amount of its expenditures for salaries, equipment and travel in the program.

Sec. 37. Minnesota Statutes 1980, Section 124.573, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs or senior secondary industrial arts programs as provided in subdivision 2 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, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. No rules promulgated by the state board pursuant to any statute shall require a district to offer secondary vocational educa-

tion. Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board for vocational education.

Sec. 38. Minnesota Statutes 1980, Section 124.573, Subdivision 3a, is amended to read:

Subd. 3a. In addition to the provisions of subdivisions 2 and 3, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. ~~In the 1978-1979 school year and thereafter,~~ The state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 39. Minnesota Statutes 1980, Section 124.573, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT SCHEDULE THROUGH 1982.] *Through the 1981-1982 school year, 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. 40. Minnesota Statutes 1980, Section 124.573, is amended by adding a subdivision to read:

Subd. 5a. [PAYMENT SCHEDULE.] Beginning in the 1982-1983 school year, the state shall pay to each school district and center its estimated secondary vocational education aid in the following manner:

(a) For salaries and travel, 30 percent by August 31, 30 percent by December 31, 25 percent by March 31, and

(b) For equipment, 85 percent by August 31.

The final aid distribution shall be made by October 31 of the following school year. All secondary vocational education aids shall be computed and distributed by the state aids section of the state department of education.

Sec. 41. Minnesota Statutes 1980, Section 124.573, is amended by adding a subdivision to read:

Subd. 6. (a) A district or cooperative center shall not receive aid pursuant to subdivision 2, except for equipment, for any new or additional secondary

vocational program it initiates if a senior secondary industrial arts program is discontinued by the district or district member of the center and the two programs share similar objectives, or provide common or analogous instruction in a skill, competency, occupational field or like area.

(b) Before July 1 of each year, a district or cooperative center shall report to the department in a manner prescribed by the commissioner any senior secondary industrial arts program which it plans to discontinue for the upcoming school year and any new or additional secondary vocational program which it plans to initiate.

Sec. 42. Minnesota Statutes 1980, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. ~~In the 1979-1980~~ Each school year ~~and thereafter~~, the state shall pay to any district or cooperative center 70 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children.

Sec. 43. Minnesota Statutes 1980, Section 124.574, Subdivision 4, is amended to read:

Subd. 4. In addition to the provisions of subdivisions 2 and 3, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. The formula for payment of aids for these contracts ~~in the 1978-1979 school year and thereafter~~ shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Sec. 44. Minnesota Statutes 1980, Section 124.574, Subdivision 8, is amended to read:

Subd. 8. All aid pursuant to this section shall be distributed at the same times and in the same manner as provided in section 124.573, ~~subdivision~~ *subdivisions 5 and 5a*. Aid for supplies shall be distributed at the same time as aid for salaries and travel.

Sec. 45. [INSTRUCTIONS TO REVISOR OF STATUTES.]

In accordance with Minnesota Statutes 1980, Section 648.36, in the next edition of Minnesota Statutes, the revisor of statutes shall retitle the headnote of section 124.562 to read "[POST-SECONDARY VOCATIONAL MEMBERSHIP.]"

Sec. 46. [REPEALER.]

Minnesota Statutes 1980, Sections 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; and 124.571 are repealed.

Sec. 47. [APPROPRIATIONS.]

Subdivision 1. There is appropriated from the general fund to the depart-

ment of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [POST-SECONDARY VOCATIONAL INSTRUCTIONAL AID.] For post-secondary vocational instructional aid there is appropriated:

- | | |
|------------------|---|
| (a) \$48,471,300 | for aid for fiscal year 1982;
payable in fiscal year 1982; |
| (b) \$ 4,877,300 | for aid for fiscal year 1981;
payable in fiscal year 1982; |
| (c) \$49,373,700 | for aid for fiscal year 1983;
payable in fiscal year 1983; |
| (d) \$ 5,385,700 | for aid for fiscal year 1982;
payable in fiscal year 1983. |

Subd. 3. [POST-SECONDARY VOCATIONAL SUPPLY AID.] For post-secondary vocational supply aid there is appropriated:

\$15,307,500	1982
\$14,828,250	1983.

Subd. 4. [POST-SECONDARY VOCATIONAL SUPPORT SERVICES AID.] For post-secondary vocational support services aid there is appropriated:

\$16,842,500	1982
\$15,501,750	1983.

The appropriation for 1982 is based on the assumption that the state will spend for this purpose an amount at least equal to \$6,251,400 in fiscal year 1982 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended. The appropriation for 1982 includes \$2,848,000 to be allocated by the state board for special needs instruction.

The appropriation for 1983 is based on the assumption that the state will spend for this purpose an amount at least equal to \$6,251,400 in fiscal year 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended. The appropriation for 1983 includes \$2,629,050 to be allocated by the state board for special needs instruction.

For post-secondary support services aid to pay for implementation of the fixed assets property management accounting and reporting system there is appropriated:

\$ 140,000	1982.
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This amount shall not cancel and shall be available in 1983.

The amount appropriated in this subdivision shall not be used for any special vocational systemwide support service program or project.

Subd. 5. [POST-SECONDARY VOCATIONAL CAPITAL EXPENDITURE AID.] For post-secondary vocational capital expenditure aid there is appropriated:

\$11,230,000	1982
\$10,300,000	1983.

Subd. 6. [APPROPRIATION FOR CONTINGENCY FUND.] For the post-secondary vocational contingency fund there is appropriated:

(a) \$ 700,000	for 100 percent of the fund for fiscal year 1982 payable in fiscal year 1982.
(b) \$ 510,000	for 85 percent of the fund for fiscal year 1983 payable in fiscal year 1983.

Subd. 7. [POST-SECONDARY VOCATIONAL DEBT SERVICE AID.] For post-secondary vocational debt service aid there is appropriated:

\$ 7,731,000	1982
\$ 7,600,000	1983.

Subd. 8. [ADULT VOCATIONAL EDUCATION AID.] For adult vocational education aid there is appropriated:

\$ 6,851,900	1982
\$ 7,102,000	1983.

The appropriation for 1982 includes \$707,600 for fiscal year 1981 payable in fiscal year 1982 of which not to exceed \$20,000 is for necessary travel and of which not to exceed \$20,000 is for small business management programs. This amount also includes \$6,144,300 for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$198,000 is for necessary travel.

The appropriation for 1983 includes \$682,700 for aid for fiscal year 1982 payable in fiscal year 1983 of which not to exceed \$22,000 is for necessary travel. This amount also includes \$6,419,300 for aid for fiscal year 1983 payable in fiscal year 1983 of which not to exceed \$212,500 is for necessary travel.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 9. [VETERAN FARMER COÖPERATIVE TRAINING PROGRAMS.] For veteran farmer cooperative training programs there is appropriated:

\$ 675,100	1982
\$ 588,900	1983.

Subd. 10. [SECONDARY VOCATIONAL EDUCATION AID.] For secondary vocational education aid pursuant to section 124.573 there is appropriated:

\$22,151,240	1982
\$19,993,155	1983.

The appropriation for 1982 includes \$2,287,700 for fiscal year 1981 payable in fiscal year 1982 of which not to exceed \$181,600 is for equipment. This amount also includes \$19,863,540 for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$1,719,000 is for equipment.

The appropriation for 1983 includes \$2,016,060 for fiscal year 1982 payable in fiscal year 1983. This amount also includes \$17,977,095 for fiscal year 1983 payable in fiscal year 1983.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 11. [AID FOR SECONDARY VOCATIONAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN.] For secondary vocational programs for handicapped children pursuant to section 124.574, subdivision 2, there is appropriated:

\$ 2,452,700	1982
\$ 2,529,600	1983.

The appropriation for 1982 includes \$226,900 for fiscal year 1981 payable in fiscal year 1982. This amount also includes \$2,225,800 for fiscal year 1982 payable in fiscal year 1982. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$300,000 in fiscal year 1982 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

The appropriation for 1983 includes \$247,300 for fiscal year 1982 payable in fiscal year 1983. This amount also includes \$2,282,300 for fiscal year 1983 payable in fiscal year 1983. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$300,000 in fiscal year 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 12. Any unexpended balance not exempted and remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amounts attributable to either year for any purpose indicated are 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. 48. [EFFECTIVE DATE.]

Sections 20 and 25 of this article shall be effective the day following final enactment.

ARTICLE VI

OTHER AIDS AND LEVIES

Section 1. [3.9251] [PROGRAMS FOR HANDICAPPED ADULTS.]

Programs funded by the council on quality education may include programs designed for adults and handicapped adults.

Sec. 2. Minnesota Statutes 1980, Section 3.9279, Subdivision 10, is amended to read:

Subd. 10. [VOLUNTARY PARTICIPATION.] Participation by parents and children in early childhood and family education programs shall be voluntary and shall not preclude participation in other state or local programs. To the extent possible, each school district providing early childhood and family education programs shall seek participation in these programs of minority and economically disadvantaged persons in the same proportion as these groups are represented in the area served by the program. Upon request, the school districts shall report on the success of these efforts to the council on quality education. No school district shall discriminate in providing early childhood and family education programs on the basis of race, religion, sex or ethnic

background, and no programs shall be used in whole or in part for religious worship or instruction.

Sec. 3. Minnesota Statutes 1980, Section 3.9279, Subdivision 12, is amended to read:

Subd. 12. [NEGOTIATED GRANTS.] For the ~~1979-1980~~ 1981-1982 and ~~1980-1981~~ 1982-1983 school years the council on quality education may fund up to 36 early childhood and family education programs according to the negotiated grants procedure in sections 3.924 to 3.927.

Sec. 4. [3.9280] [CITATION.]

Sections 4 to 11 of this article may be cited as the "Minnesota Arts in Education Act".

Sec. 5. [3.9281] [POLICY.]

The legislature finds placing arts within the basics of education is needed for pupils in the state of Minnesota. The legislature also finds the state needs an equitable balance in funding arts education programs for rural and urban students. Therefore, in order to meet the goal of promoting a statewide program of comprehensive arts in education for elementary and secondary students, it is the purpose of sections 4 to 11 to provide for the establishment of comprehensive arts education programs.

Sec. 6. [3.9282] [AUTHORIZATION.]

The council on quality education shall prescribe the form and manner of application for the programs and shall select the grant recipients. These programs shall be as equally distributed as possible within and outside of the seven county metropolitan area.

Sec. 7. [3.9283] [PROGRAM ACCOUNTS.]

A district providing arts education programs shall establish and maintain a separate account for the receipt and disbursement of all funds relating to the programs, and the funds shall be spent only for the purpose of arts education programs.

Sec. 8. [3.9284] [ADDITIONAL FUNDING.]

A district providing arts education programs may receive funds for the programs from other governmental agencies and from private sources, including any state or federal funds available for arts education.

Sec. 9. [3.9285] [CRITERIA FOR GRANT APPROVAL.]

Grants approved under this section shall include:

(1) Assessment of arts education needs in the school district area to be served and a plan of coordination with currently available resources;

(2) Provision for at least four art disciplines;

(3) Creation of a community advisory committee which shall have program evaluation responsibility;

(4) An instructional component in the plan which emphasizes sequential and ongoing instruction for pupils in the arts or a component which emphasizes teacher development in the arts. This component shall not replace artists-in-

the-schools programs or similar programs in arts-producing agencies; and

(5) Provision for a description of the adaptability of the program for implementation in other schools and districts.

Sec. 10. [3.9286] [PILOT PROJECTS.]

The council on quality education shall fund individual grants to districts in an amount not to exceed \$20,000 and shall fund individual grants to a consortium of districts or education cooperative service units in an amount not to exceed \$50,000.

Sec. 11. [3.9288] [REPORT.]

The department of education shall submit a report to the education committees of the senate and house of representatives by January 1, 1982. The report shall include:

(1) The status and implementation of the Minnesota plan for arts in education;

(2) The availability of learning opportunities in the arts for elementary and secondary students; and

(3) The status and implementation of the Minnesota Arts in Education Act.

Sec 12. [3.9290] [CITATION.]

Sections 12 to 18 of this article may be cited as the "Minnesota Improved Learning and Principal-Teacher, Counselor-Teacher, and Career Teacher Act".

Sec. 13. [3.9291] [PURPOSE.]

The legislature recognizes the unique and lifelong learning process of all human beings. The legislature is committed to the goal of maximizing the individual growth potential of all students through the secondary schools. The purposes of this act are:

(a) To offer improved learning programs, which emphasize basic and applied learning skills and the liberal arts;

(b) To recognize and utilize the unique skills that teachers, students, family, and the community have in both the teaching process and learning process; and

(c) To provide an opportunity for maximum use of principals and teachers.

Sec. 14. [3.9292] [PROGRAM SELECTION.]

Subdivision 1. [AUTHORIZATION.] A school district or group of districts that wish to receive moneys for improved learning programs may apply to the state board of education for approval. Programs may be approved for one portion of a school population, an entire school attendance area, several attendance areas, an entire school district, or a group of school districts.

Subd. 2. [APPLICATIONS.] The state board shall prescribe the form and manner of application for the program. The council on quality education may review and advise the state board on applications made for improved learning programs. Beginning in 1982, and each year thereafter, applications shall be submitted to the state board by January 15. If a district wishes to receive aid for

the principal-teacher, career teacher or counselor-teacher component of an improved learning program, an application for state aid must be submitted to the state board by January 15. Estimates of salaries and fringe benefits for the next school year and for the additional time beyond the regular contract period for staff to be employed shall be itemized on the application for aid. The board will notify all applicants of aid approved or denied by March 15 of each year. The board shall approve or deny applications in the order that they are received.

Subd. 3. [WAIVERS.] The state board may waive school district compliance with its rules which would prevent implementation of an improved learning program which received approval from the state board. However, individuals participating in the principal-teacher, counselor-teacher, or career teacher program shall maintain their seniority date in the district and all rights under the applicable collective bargaining agreement.

Subd. 4. [ADDITIONAL FUNDING.] A school district providing an improved learning program may receive funds for the program from private sources and governmental agencies, including state or federal funds.

Subd. 5. [REPORT.] The department shall submit a report to the legislature by February 1, 1983, and by February 1 each year thereafter. This report shall include the number and description of programs approved, implementation status of programs approved, waivers granted, and evaluation of programs approved.

Sec. 15. [3.9293] [ADVISORY COUNCIL.]

The school board of a district providing an improved learning program shall appoint an advisory council. Council members shall be selected from the school attendance area in which programs are provided. Members of the council may include students, teachers, principals, administrators and community members. A majority of the members shall be parents with children participating in the local program. The local advisory council shall advise the school board in the development, coordination, supervision, and review of the improved learning program. The council shall meet at least two times each year with any established community education advisory council in the district. Members of the council may be members of the community education advisory council. The council shall report to the school board.

Sec. 16. [3.9294] [PROGRAM CRITERIA.]

Subdivision 1. [MANDATORY COMPONENTS.] A plan for an improved learning program shall include:

(a) Curricula, instructional strategy and use of materials responsive to the individual educational needs and learning styles of each pupil to enable students to make continuous progress and learn at a rate appropriate to their abilities;

(b) A plan to develop student abilities for both learner and teacher in basic skills and applied learning skills and, when appropriate, arts, humanities, physical, natural, and social sciences; multicultural education; physical, emotional, and mental health; consumer economics, and career education;

(c) Plans to make use of community resources and communications media to pursue improved learning opportunities for pupils;

(d) A staff development program for teachers and other school personnel, such as that found in sections 17 and 18;

(e) A plan to improve the learning environment, including use of the community in general, to enhance the learning process;

(f) A plan for annual and ongoing evaluation of program goals and objectives; and

(g) A plan to involve parents in planning an improved learning program for their children.

Subd. 2. [OPTIONAL COMPONENTS.] A plan for an improved learning program may include a:

(a) Principal-teacher and career teacher program as defined in section 17 of this article;

(b) Counselor-teacher program as defined in section 18 of this article;

(c) Cooperative efforts with other agencies involved with human services or child development and development of alternative community based learning experiences;

(d) Apprenticeship post-secondary education components for students who are able to accelerate or programs for students with special abilities and interests who are given advanced learning opportunities within existing programs;

(e) Use of volunteers in the learning program;

(f) Flexible attendance schedules for students;

(g) Adult education component;

(h) Parent and family education component;

(i) Variable student/faculty ratios for special education students to provide for special programming;

(j) Inclusion of nonpublic students participating in an improved learning program as part of the ratio in the principal-teacher and career teacher component;

(k) Application of educational research findings;

(l) Summer learning experiences for students as recommended by the principal-teacher and career teacher;

(m) Use of educational assistants, teacher aides or paraprofessionals as part of the improved learning program;

(n) Establishment of alternative criteria for high school graduation; and

(o) Variable age and class size groupings of students.

Sec. 17. [3.9295] [PRINCIPAL-TEACHER AND CAREER TEACHER COMPONENT.]

Subdivision 1. [STATUS.] An improved learning program may include a principal-teacher and career teacher component. The principal-teacher and career teacher shall not be the exclusive teacher for students assigned to him or

her but will serve the function of developing and implementing a student's overall learning program. The principal-teacher and career teacher may be responsible for regular classroom assignments as well as learning programs for other students assigned to him or her.

Subd. 2. [QUALIFICATIONS.] (a) An individual employed as a principal-teacher must be licensed as a principal by the state board of education and shall be considered a principal as defined in section 179.63, subdivision 14, for purposes of the Public Employment Labor Relations Act. (b) An individual employed as a career teacher must be licensed as a teacher by the state board of teaching and shall be considered a teacher as defined in section 179.63, subdivision 13, for purposes of the Public Employment Labor Relations Act.

Subd. 3. [STAFF/STUDENT RATIO.] (a) One principal-teacher or career teacher will be assigned for every 125 students. For each special education student included in the assignment, the 1:125 ratio will be reduced by one.

(b) One principal-teacher or career teacher will be assigned for every 50 students when the principal-teacher and career teacher is also the principal of the school.

Subd. 4. [SELECTION; RENEWAL.] (a) The school board shall establish procedures for teachers and principals to apply for the position of principal-teacher and career teacher. The authority for selection of principal-teachers and career teachers shall be vested in the board and no individual shall have a right to employment as a principal-teacher or career teacher based on seniority or order of employment in the district.

(b) Employment of the principal-teacher and career teacher shall be on a 12 month basis with vacation time negotiated individually with the board. The annual contract of a principal-teacher or career teacher may not be renewed, as the board shall see fit; provided, however, the board shall give any such teacher whose contract as a principal-teacher or career teacher it declines to renew for the following year written notice to that effect before April 15. If the board fails to renew the contract of a principal-teacher or career teacher, that individual shall be reinstated to another position in the district if eligible pursuant to section 125.12 or 125.17.

Subd. 5. [DUTIES.] The principal-teacher and career teacher shall be responsible for:

(a) The overall education and learning plan of students assigned to him or her. This plan shall be designed by the principal-teacher and career teacher with the student, parents, and other faculty, and will seek to maximize the learning potential and maturation level of each pupil;

(b) Measuring the proficiency of the students assigned to him or her and assisting other staff in identifying pupil needs and making appropriate educational and subject groupings;

(c) When part of the district's plan, taking responsibility for the parent and early childhood education of students assigned to him or her;

(d) Designing and being responsible for program components which meet special learning needs of high potential and talented students; and

(e) Coordinating the ongoing, year-to-year learning program for students

assigned to him or her.

Sec. 18. [3.9296] [COUNSELOR-TEACHER COMPONENT.]

Subdivision 1. [STATUS.] An improved learning program may include a counselor-teacher component. The counselor-teacher shall not be the exclusive teacher with respect to the learning process of students assigned to him or her.

Subd. 2. [QUALIFICATIONS.] An individual employed as a counselor-teacher must be licensed as a counselor by the state board of education and shall be considered a teacher as defined in section 179.63, subdivision 13, for purposes of the Public Employment Labor Relations Act.

Subd. 3. [STAFF/STUDENT RATIO.] One counselor-teacher will be assigned for every 125 students. For each special education student included in the assignment, the 1:125 ratio will be reduced by one.

Subd. 4. [SELECTION; RENEWAL.] The annual contract of a counselor-teacher may not be renewed, as the board shall see fit; provided, however, the board shall give any such counselor whose contract for the counselor-teacher it declines to renew for the following year written notice to that effect before April 15. If the board fails to renew the contract of a counselor-teacher, that individual shall be reinstated to another position in the district if eligible pursuant to section 125.12 or 125.17.

Subd. 5. [DUTIES.] The counselor-teacher shall be responsible for providing guidance and counseling services to students assigned to him or her. This includes working with individual students, groups of students and families.

Sec. 19. Minnesota Statutes 1980, Section 123.705, is amended to read:

123.705 [STATE AID.]

The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed ~~\$25~~ \$28 per child screened in fiscal year ~~1980~~ 1982 and ~~\$27~~ \$29 per child screened in fiscal year ~~1981~~ 1983. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 20. [124.246] [CHEMICAL USE PROGRAMS.]

Subdivision 1. [ELIGIBILITY AND PURPOSE.] Each school board, which has adopted comprehensive policy and procedures to minimize chemical use problems among all pupils in the district, and which has submitted them to the department of education, shall be eligible for state aid for the following purposes:

- (a) inservice training for public and nonpublic school staff,
- (b) prevention programs, including curriculum materials,
- (c) community and parent awareness programs,
- (d) problem identification programs,
- (e) referral programs, and
- (f) aftercare support programs.

The programs shall be for pupils in public and nonpublic elementary and

secondary schools, and their parents, teachers and staff.

Subd. 2. [AID.] An eligible district shall receive \$1 for each pupil, in average daily membership, enrolled in a public or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$1,000.

Subd. 3. [APPLICATIONS.] A district that is eligible for aid shall apply to the commissioner of education by October 1 of each school year on the form supplied by the commissioner.

Subd. 4. [ASSISTANCE TO DISTRICTS.] The department of education shall:

(a) continue to provide technical assistance to districts for maintenance and evaluation of prevention programs, for aftercare support programs and for improved relationships with community agencies,

(b) continue inservice programs emphasizing identified needs of the districts, and

(c) collect information from districts about prevention, awareness, identification, referral, and aftercare support programs.

Subd. 5. [STAFF COMPLEMENT.] The department of education may add one clerical employee to its approved complement for the chemical use program.

Sec. 21. Minnesota Statutes 1980, Section 124.247, Subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program an amount equal to ~~\$30~~ \$45 for fiscal year 1982 and \$45 for fiscal year 1983 times the number of gifted and talented students in the district, but no less than \$500 for each district. No more than 2-1/2 percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this subdivision. No more than five percent of the moneys received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.

Sec. 22. [124.251] [STATE AID.]

A district which establishes, pursuant to sections 12 to 18 of this article, a principal-teacher, counselor-teacher or career teacher component of an improved learning program approved by the state board of education, shall receive state aid for the purpose of this program in an amount equal to the salary and fringe benefits for the number of days each principal-teacher, counselor-teacher or career teacher works beyond the regular contract period. The daily rate paid shall be the current contract rate earned by the principal-teacher, counselor-teacher or career teacher. The state board shall not approve applications or pay aids in excess of the state appropriation for this program. In addition, the board shall make an effort to distribute aid as equally as possible between rural, suburban and urban districts. In addition to other aids or moneys, a school district may use summer school aids to fund an improved learning program.

Sec. 23. [124.275] [GRANTS FOR COOPERATIVE AGREEMENTS BETWEEN SECONDARY SCHOOLS.]

The department of education may make grants to school districts for the study, evaluation and startup costs in developing an agreement pursuant to any law which permits the discontinuance in a district of grades or a portion of grades and which affects any of grades 7 through 12.

Sec. 24. Minnesota Statutes 1980, Section 124.646, Subdivision 1, is amended to read:

Subdivision 1. (a) For the ~~1979-1980~~ 1981-1982 school year, school districts shall be paid by the state in the amount of ~~4-9/10~~ 5.496 cents for each full paid student type "A" lunch served to students in the district. (b) For the ~~1980-1981~~ 1982-1983 school year, school districts shall be paid by the state in the amount of ~~5-3/10~~ 5.91 cents for each full paid student type "A" lunch served to students in the district.

Sec. 25. Minnesota Statutes 1980, Section 134.35, Subdivision 1, is amended to read:

Subdivision 1. [GRANT APPLICATION.] Any regional public library system which qualifies according to the provisions of section 134.34 may apply for an annual grant for regional library basic system support. The amount of each grant for ~~fiscal year 1980 and each fiscal year thereafter~~ shall be calculated as provided in this section.

Sec. 26. Minnesota Statutes 1980, Section 134.351, is amended by adding a subdivision to read:

Subd. 5. [PROPERTY.] All property given, granted, conveyed, donated, devised or bequeathed to, or otherwise acquired by any multi-county, multi-type library system board shall vest in, and be held in the name of, such multi-county, multi-type library system board, and any conveyance, grant, donation, devise, bequest, or gift made to, or in the name of, any multi-county, multi-type library system shall be deemed to have been made directly to the multi-county, multi-type library system board.

Sec. 27. Minnesota Statutes 1980, Section 134.351, is amended by adding a subdivision to read:

Subd. 6. [RATIFICATION.] All property heretofore given, granted, conveyed, donated, devised, bequeathed to, or otherwise acquired by any multi-county, multi-type library system board is hereby validated, ratified and confirmed as the property of said board.

Sec. 28. Minnesota Statutes 1980, Section 134.351, Subdivision 5, is amended to read:

Subd. 5 7. [REPORTS.] Each multi-county, multi-type system receiving a grant pursuant to section 134.352 or 134.353 shall provide an annual progress report to the department of education. The department shall report before November 15 of each year to the legislature on all projects funded under sections 134.352 and 134.353.

Sec. 29. Minnesota Statutes 1980, Section 134.36, is amended to read:

134.36 [RULES.]

The state board of education shall promulgate rules as necessary for implementation of any provision of ~~Laws 1978, Chapter 546 sections 134.30 to 134.353~~. Temporary rules may be adopted to implement ~~Laws 1978, Chapter 546 sections 134.30 to 134.353~~ in compliance with the provisions of section 15.0412, subdivision 5, except that these rules may be effective for up to 300 days.

Sec. 30. Minnesota Statutes 1980, Section 275.125, Subdivision 11a, is amended to read:

Subd. 11a. ~~(a) In 1979, a school district may levy an amount not to exceed the amount equal to \$80 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$85 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), and (5). No levy under this clause in 1979 shall exceed ten 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) (a) In 1980 and each year thereafter, A school district may levy an amount not to exceed the amount equal to \$90 \$95 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 \$100 per pupil unit. In 1980 and each year thereafter, No levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year, notwithstanding the provisions of sections 272.64 and 275.49.~~

~~(e) (b) The proceeds of the tax may be used only to acquire land, to equip and reequip buildings and permanent attached fixtures, to pay leasing fees for computer systems hardware and related proprietary software, and to pay leasing fees for photocopy machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments as required pursuant to section 116H.126, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, including but not limited to 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. The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to section 123.36, subdivision 10.~~

~~(d) (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 construc-~~

tion 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.

(e) (d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(f) (e) The proceeds of the tax shall not be used for custodial or other maintenance services.

(f) *Subject to the seven mill limitation of clause (a) of this subdivision, in 1981 and each year thereafter, a school district may levy an additional amount equal to \$5 per pupil unit for capital expenditures for secondary vocational equipment and senior secondary industrial arts equipment.*

Sec. 31. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 11b. [ENERGY CONSERVATION LEVY.] A school district may levy a tax in an amount not to exceed one mill times the adjusted assessed valuation of taxable property within the district for the preceding year for the purpose of financing energy conservation measures in district owned buildings. The proceeds of the levy shall be used for the sole purpose of funding energy audits on district owned buildings conducted pursuant to chapter 116H, and funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less. Any levy pursuant to this subdivision shall be a special levy exempt from levy limitations of this section or any other law. A levy pursuant to this subdivision shall be subject to the notice and referendum provisions of subdivision 14a, clause (3), except that for a levy proposed in 1981, only one week's notice is required.

Sec. 32. Minnesota Statutes 1980, Section 375.335, is amended by adding a subdivision to read:

Subd. 4. [PROPERTY.] All property given, granted, conveyed, donated, devised or bequeathed to, or otherwise acquired by any regional library board or any regional public library system board, however created, shall vest in, and be held in the name of, such regional library board or regional public library system board, and any conveyance, grant, donation, devise, bequest, or gift made to, or in the name of, any regional library or public library system shall be deemed to have been made directly to the regional public library system board.

Sec. 33. Minnesota Statutes 1980, Section 375.335, is amended by adding a subdivision to read:

Subd. 5. [RATIFICATION.] All property heretofore given, granted, conveyed, donated, devised, bequeathed to, or otherwise acquired by any regional library board or any regional public library system board, however created, is hereby validated, ratified and confirmed as the property of said board.

Sec. 34. Minnesota Statutes 1980, Section 375.335, Subdivision 4, is amended to read:

Subd. 4 6. [RATIFICATION.] Any multicounty regional library heretofore

created, and the agreements creating them, are hereby validated, ratified, and confirmed and the benefits of subdivisions 1 to 4 shall hereafter apply to said libraries.

Sec. 35. [MOBILE UNITS.]

Subdivision 1. [DEFINITION.] For purposes of this section, "mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services. A mobile unit may be a neutral site as defined in Minnesota Statutes, Section 123.932, Subdivision 9.

Subd. 2. [GRANTS.] Notwithstanding Minnesota Statutes, Section 124.212, Subdivision 9b, or any other section, for the 1981-1982 school year the commissioner of education shall make grants to 12 school districts for the experimental use of mobile units to provide any of the following programs and services to public and nonpublic school pupils: diagnostic testing; health services, as defined in Minnesota Statutes, Section 123.932, Subdivision 11; guidance and counseling services, as defined in Minnesota Statutes, Section 123.932, Subdivision 10; special instruction and services for handicapped children, as defined in Minnesota Statutes, Section 120.03; remedial programs; and programs for gifted pupils. Guidance and counseling services provided to nonpublic school pupils pursuant to this section shall not include the planning or selection of particular courses or classroom activities of the nonpublic school. Any programs and services which a district offers through the mobile unit pursuant to this section to public school pupils, it shall also offer through the mobile unit to nonpublic school pupils by or on behalf of whom a formal request has been made at the time and in the manner required by the school board of the district.

Subd. 3. [USE OF GRANT MONEY.] A district may use the grant funds to purchase or rent a mobile unit, to remodel, equip, and operate it, and to pay for any costs incurred in providing the authorized programs and services; except that the district may not use the grant funds to pay the salaries of the professional instructional staff who work in the mobile unit.

Subd. 4. [DUTIES OF COMMISSIONER.] The commissioner shall prescribe the form, manner, and time of application for the grants and shall select the participating school districts.

Subd. 5. [RESTRICTIONS ON PROGRAMS AND SERVICES.] The programs and services authorized by subdivision 2 shall be provided by public employees at neutral sites as defined in Minnesota Statutes, Section 123.932, Subdivision 9. The programs and services provided to nonpublic school pupils shall be limited to those for which the district provides equivalents, through the mobile unit program or otherwise, to public school pupils. The amount a district spends through the mobile unit program and otherwise for a program or service to nonpublic school pupils shall be no greater on a per pupil basis than the amount it spends through the mobile unit program and otherwise for the equivalent program or service for public school pupils.

Subd. 6. [REPORTS.] A district receiving a grant shall report to the commissioner of education by August 1, 1982, on the effectiveness of the mobile unit program in the district. The commissioner shall report to the education committees of the legislature on the effectiveness of the mobile unit program by February 15, 1983.

Subd. 7. [SUPPLEMENTAL NATURE OF PROGRAM.] Notwithstanding Minnesota Statutes, Section 123.935, Subdivision 1, the amount a district spends for pupil support services pursuant to this section may be in addition to the amount it spends for pupil support services pursuant to Minnesota Statutes, Section 123.935, Subdivision 1.

Sec. 36. [LOW-POWER TELEVISION TRANSMISSION PROJECT.]

Subdivision 1. [POLICY.] The legislature finds that there is a severe loss of course offerings in small rural school districts. The legislature also finds that implementing two way low-power television transmission in small rural school districts creates an opportunity to provide courses not otherwise available due to small school enrollments and limited funds.

Subd. 2. [MAINTENANCE OF PROJECT.] The low-power television transmission project, Communicasting for Educational Purposes, established in Independent School District No. 790, shall be maintained.

Subd. 3. [APPLICATION PROCEDURES.] The department of education shall prescribe the procedures Independent School District No. 790 shall follow to receive moneys to continue the Communicasting for Educational Purposes project.

Subd. 4. [SEPARATE FUND ACCOUNT.] Independent School District No. 790 shall maintain separate revenue and expenditure accounts which accurately reflect all revenues and expenditures for the project. The moneys shall be spent only for purposes of subdivision 2 of this section.

Subd. 5. [SOURCE OF FUNDS.] Independent School District No. 790 may receive funds for the Communicasting for Educational Purposes project from the state or federal government or their agencies and from private organizations.

Subd. 6. [LOW-POWER TRANSMISSION TELEVISION STUDY.] The department of education shall award one or more contracts to qualified consultants or legal firms specializing in securing broadcast and telecast licenses from the federal communications commission. The consultant or firm shall: (a) survey the need for low-power television transmission sites in the state; (b) write a report which recommends placement of low-power television transmission sites to provide maximum educational benefits to small rural school districts and gives detailed estimates of costs for implementing the sites, including data concerning local personnel, training, and equipment; (c) evaluate the project in Independent School District No. 790, Communicasting for Educational Purposes; and (d) prepare and submit all necessary license applications to the federal communications commission on behalf of local education agencies recommended as transmission sites.

Subd. 7. [REPORT TO LEGISLATURE.] The department of education shall make reports to the education committees of the house of representatives and the senate by March 15, 1982, and March 15, 1983, about the effectiveness of the project in subdivision 2 of this section and findings of the studies in subdivision 6 of this section.

Sec. 37. [REPEALER.]

Laws of Minnesota 1980, Chapter 609, Article IV, Sections 19, 20, and 21 are repealed. Minnesota Statutes 1980, Sections 3.9279, Subdivision 13, and

123.937 are repealed.

Sec. 38. [APPROPRIATION.]

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. [HEALTH AND DEVELOPMENTAL SCREENING PROGRAMS.] For health and developmental screening programs pursuant to sections 123.701 to 123.705, there is appropriated:

\$1,391,600	1982,
\$1,244,825	1983.

Subd. 3. [ABATEMENT AID.] For abatement aid pursuant to section 124.214, subdivision 2, there is appropriated:

\$2,751,000	1982,
\$2,988,000	1983.

Subd. 4. [EMERGENCY AID.] For emergency aid pursuant to section 124.24, there is appropriated:

\$ 50,000	1982.
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Any unexpended balance remaining from the appropriation in this subdivision shall not cancel but shall be available for the second year of the biennium.

Subd. 5. [CAPITAL EXPENDITURE EQUALIZATION AID.] For capital expenditure equalization aid pursuant to section 124.245, there is appropriated:

\$ 700,000	1982,
\$ 709,400	1983.

Subd. 6. [SCHOOL LUNCH AID.] For school lunch aid pursuant to section 124.646, there is appropriated:

\$3,838,200	1982,
\$4,085,500	1983.

Any unexpended balance from the appropriations in this subdivision may be expended, in addition to the amounts appropriated in subdivision 7 of this section, for food storage and transportation costs for U.S.D.A. donated commodities.

Subd. 7. [FOOD STORAGE AND TRANSPORTATION.] For food storage and transportation costs for U.S.D.A. donated commodities there is appropriated:

\$ 765,300	1982,
\$ 880,100	1983.

Subd. 8. [GIFTED AND TALENTED STUDENTS.] For programs for the gifted and talented pursuant to section 124.247, there is appropriated:

\$ 853,702	1982,
\$ 710,904	1983.

Subd. 9. [GRANTS FOR COOPERATIVE AGREEMENTS BETWEEN SECONDARY SCHOOLS.] For grants for cooperative agreements between secondary schools pursuant to section 23 of this article, there is appropriated:

\$ 90,000	1982,
\$ 76,500	1983.

Subd. 10. [CHEMICAL DEPENDENCY PROGRAMS.] For aid for chemical dependency programs authorized pursuant to section 20 of this article, there is appropriated:

\$ 930,000	1982,
\$ 790,500	1983.

Subd. 11. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to sections 3.925 and 3.926, there is appropriated:

\$ 950,000	1982,
\$ 807,500	1983.

Subd. 12. [EARLY CHILDHOOD AND FAMILY EDUCATION.] For early childhood and family education programs pursuant to section 3.9279, there is appropriated:

\$1,500,000	1982,
\$1,270,000	1983.

Any unexpended balance remaining from the appropriation in this subdivision for 1982 shall not cancel and shall be available for the second year of the biennium.

Subd. 13. [NONPUBLIC AIDS.] For programs for nonpublic educational aid pursuant to sections 123.931 to 123.937, there is appropriated:

\$4,109,800	1982,
\$3,848,460	1983.

Subd. 14. [MOBILE UNIT GRANT PROGRAM.] The sum of \$438,200 is appropriated from the general fund to the department of education for the purpose of funding the mobile unit grant program authorized in section 35 of this article. These funds shall be available until June 30, 1983.

Subd. 15. [APPROPRIATION FOR ARTS EDUCATION.] For Minnesota arts in education programs, there is appropriated:

1981-1982 school year	\$200,000;
1982-1983 school year	\$170,000.

An amount not to exceed ten percent of the total appropriation in each year may be expended for administrative costs.

Subd. 16. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] For educational cooperative service units, there is appropriated:

\$ 604,500	1982,
\$ 699,500	1983.

(a) Funds from this appropriation shall be transmitted to ECSU boards of directors for general operations in the amount of \$60,450 per ECSU as defined in section 123.58 in fiscal year 1982 and \$69,950 per ECSU in fiscal year 1983; provided, however, that the ECSU whose boundaries encompass development regions 6 and 8 shall receive \$120,900 in fiscal year 1982 and \$139,900 in fiscal year 1983 for general operations.

(b) These funds include funds for technical assistance for long-range plan-

ning and data base development pursuant to section 122.87 and technical assistance for program planning and evaluation pursuant to section 123.742.

Subd. 17. [BASIC SUPPORT GRANTS.] For grants pursuant to sections 134.32 to 134.35 and 134.36, for the provision of library services, there is appropriated:

\$3,943,200 1982,
\$3,639,955 1983.

Subd. 18. [MULTI-COUNTY LIBRARY SYSTEMS.] For grants pursuant to sections 134.352 and 134.353 to multi-county, multi-type library systems, there is appropriated:

\$182,500 1982,
\$155,125 1983.

Subd. 19. [INDIAN RESOURCE LIBRARY.] There is appropriated \$10,000 from the general fund to the commissioner of education to be used for the Indian Resource Library in Independent School District No. 181.

\$5,000 shall be available for fiscal year 1982 and \$5,000 shall be available for fiscal year 1983. Any unexpended balance remaining from the appropriation in this subdivision for 1982 shall not cancel and shall be available for the second year of the biennium. None of the amounts appropriated in this subdivision shall be expended for a purpose other than the purpose indicated.

Subd. 20. [APPROPRIATION; INDIAN EDUCATION.] (a) For certain Indian education programs, there is appropriated:

\$398,000 1982,
\$398,000 1983.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts of this appropriation may be distributed to the following school districts: \$125,000 to Independent School District No. 309-Pine Point School; \$22,000 to Independent School District No. 166; \$34,000 to Independent School District No. 432; \$32,000 to Independent School District No. 435; \$96,000 to Independent School District No. 707; and \$89,000 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

These appropriations are available August 15 of the applicable school year, but only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law 73-167 or 25 Code of Federal Regulations 273.31, or equivalent money from the same or another source.

(b) Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:

(i) *Complied with the uniform financial accounting and reporting standards act, sections 121.90 to 121.917. For each school year, compliance with section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to subdivision 21 and one budget which does not include these moneys. The budget of that school district for the 1983-84 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1982-1983 budgets and shall not include any moneys appropriated in this subdivision;*

(ii) *Conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, Sections 120.03 and 120.17; Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and*

(iii) *Compiled accurate daily pupil attendance records.*

(c) *Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clause (b) and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.*

Subd. 21. [LOW-POWER TELEVISION TRANSMISSION PROJECT.] The sum of \$200,000 is appropriated from the general fund to the department of education for fiscal year 1982 to implement section 36 of this article.

Subd. 22. [IMPROVED LEARNING PROGRAMS.] For improved learning programs with principal-teacher, career teacher or counwor-teacher components, there is appropriated from the general fund to the department of education \$300,000 for fiscal year 1982. Any amount of the appropriation remaining at the end of fiscal year 1982 shall not cancel and shall be available in fiscal year 1983.

Subd. 23. Unless specifically authorized, any unexpended fund balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

Subd. 24. [PAYMENT SCHEDULE.] One hundred percent of the entitlement in subdivisions 5, 8, 9, 10, 11, 12, 13, 15, 17, 18, and 19 shall be paid in fiscal year 1982. Eighty-five percent of the entitlement for fiscal year 1983 in subdivisions 5, 8, 9, 10, 11, 12, 13, 15, 17, 18, and 19 shall be paid in fiscal year 1983.

Sec. 39. [EFFECTIVE DATE.]

Section 36 is effective the day following final enactment.

ARTICLE VII

MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 116H.126, Subdivision 2, is amended to read:

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before July 1, 1980, based upon the analysis of the building energy reports *which school districts were required by law to submit by December 31, 1979*, the director shall indicate to each school district those buildings upon which a mini-audit, maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the director and filed with the director by December 31, 1982.

Sec. 2. Minnesota Statutes 1980, Section 116H.126, Subdivision 4, is amended to read:

Subd. 4. [CERTIFICATION OF AUDITORS.] The director may certify persons to perform mini-audits and maxi-audits, ~~and to complete the building energy reports.~~

Sec. 3. Minnesota Statutes 1980, Section 116H.126, Subdivision 5, is amended to read:

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEYS.] The director may accept the results of an equivalent energy survey in place of the ~~building energy report and~~ audits required under this section.

Sec. 4. Minnesota Statutes 1980, Section 120.0751, Subdivision 5, is amended to read:

Subd. 5. The department of education shall provide the forms required by subdivision 2. ~~These forms shall be available on or before July 31, 1980. The state board shall consider any application received by it on August 1, 1980, or thereafter.~~ The state board of education shall adopt the procedures necessary to implement this section.

Sec. 5. Minnesota Statutes 1980, Section 120.78, is amended to read:

120.78 [FUEL CONSERVATION REPORTS.]

~~Subdivision 1.~~ On or before ~~December 31~~ *August 15* of each year each school district shall submit to the commissioner of education, in ~~such the~~ manner and upon ~~such the~~ forms as ~~he the~~ *commissioner* shall furnish, a comprehensive report of the energy consumed by the district during the previous school year ending June 30. The report shall include: ~~(1) a building energy report, as defined in section 116H.02, on each building and other structure maintained by the district;~~ (2) the amount of fuel used to transport students to and from school and between schools; and ~~(3) such any~~ other information as the commissioner may require related to the consumption of energy. The report shall be developed by the commissioner in consultation with the director of the energy agency.

~~Subd. 2.~~ Based upon the information contained in the report required by ~~subdivision 1~~ the school district, shall on or before July 1, 1974, also submit to the commissioner of education a detailed plan to reduce energy consumption in the district during the school year 1974-1975. The school district shall invite citizen participation in the development of the plan prescribed herein, shall carry out its provisions, and shall do what is necessary to conserve energy.

Sec. 6. Minnesota Statutes 1980, Section 121.90, is amended to read:

121.90 [DEFINITIONS.]

~~"Receivables", "liabilities", "fund balances", "revenues" and "expen-~~

ditures" have the meanings specified in the uniform financial accounting and reporting standards for Minnesota school districts unless otherwise provided by law. Unless the context clearly indicates otherwise, the words, terms and phrases used in sections 121.901 to 121.917 have the meanings given to them in the manual for the uniform financial accounting and reporting system for Minnesota.

Sec. 7. Minnesota Statutes 1980, Section 121.904, is amended by adding a subdivision to read:

Subd. 11c. Payments received pursuant to section 477A.15 shall be recognized as revenue and recorded as a receivable in the fiscal year prior to receipt.

Sec. 8. Minnesota Statutes 1980, Section 121.906, Subdivision 2, is amended to read:

Subd. 2. [RECOGNITION OF EXPENDITURES AND LIABILITIES.] There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the uniform financial accounting and reporting standards for Minnesota school districts. *Encumbrances outstanding at the end of the fiscal year do not constitute expenditures or liabilities.*

Sec. 9. Minnesota Statutes 1980, Section 121.906, Subdivision 3, is amended to read:

Subd. 3. [PURCHASE ORDERS OTHER THAN INVENTORY.] Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year ~~designated at the time of the issuance of the order in which the liability is incurred.~~

Sec. 10. Minnesota Statutes 1980, Section 121.912, Subdivision 1, is amended to read:

Subdivision 1. No school district shall permanently transfer money from an operating fund to a nonoperating fund except as provided in this subdivision. Permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues a substantial portion of the operation of a district-owned bus fleet, permanent transfers may be made from the fund balance account entitled "pupil transportation fund appropriated for bus purchases" to the capital expenditure fund, with the approval of the commissioner; provided, the levy authorized pursuant to section 275.125, subdivision 11a, shall be reduced by an amount equal to the amount transferred. Permanent transfers may be made from the general fund to the capital expenditure fund of a post-secondary vocational-technical school in the amount and for the purposes authorized by the state board for vocational education in approving the school's budget pursuant to section 124.561; provided, the state board shall not approve any permanent transfer for the purpose of an acquisition or betterment of lands or buildings or a capital improvement which requires the expenditure of an amount equal to or greater than \$50,000, which changes the perimeter walls of an existing facility, which adds more than 1,000 square feet to a post-secondary vocational facility, or which requires the issuance of school

district bonds; provided further, the state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.

Sec. 11. Minnesota Statutes 1980, Section 121.917, Subdivision 4, is amended to read:

Subd. 4. (1) If the net negative unappropriated fund balance in all the funds of a school district, other than statutory operating debt pursuant to section 121.914, capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts, ~~as of June 30, 1980, and each year thereafter,~~ is more than 2-1/2 percent of the year's expenditure amount, the district shall, prior to September 15, submit a special operating plan to reduce the district's deficit expenditures to the commissioner of education for his approval.

Notwithstanding any other law to the contrary, a district submitting a special operating plan to the commissioner under this clause which is disapproved by the commissioner shall not receive any aid pursuant to chapter 124 until a special operating plan of the district is so approved.

(2) A district shall receive aids pending the approval of its special operating plan under clause (1). A district which complies with its approved operating plan shall receive aids as long as the district continues to comply with the approved operating plan.

Sec. 12. Minnesota Statutes 1980, Section 123.35, Subdivision 15, is amended to read:

Subd. 15. When payment of a claim cannot be deferred until the next board meeting without loss to the district of a discount privilege, *or when payment of a claim cannot be deferred until the next board meeting because of contract terms, purchase order terms, or a vendor's standard terms which are part of the contract,* the claim may be paid prior to board approval, providing that the board:

(a) Has delegated authority to the clerk or a designated business administrator to make a payment prior to board approval and

(b) Requires that payment made prior to board approval be acted upon at the next board meeting.

Payment prior to board approval shall not affect the right of the district or a taxpayer to challenge the validity of a claim.

Sec. 13. Minnesota Statutes 1980, Section 123.36, Subdivision 13, is amended to read:

Subd. 13. Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due the principal and interest payments for all outstanding bonds. Any remaining proceeds in these districts of the sale or exchange and all proceeds in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(2) Notwithstanding clause (1), a district with outstanding bonds which sells

a building or property in order to purchase a replacement, may apply to the commissioner to place proceeds of the sale in its capital expenditure fund in an amount necessary to purchase the replacement; provided if the district places an amount in its debt retirement fund sufficient to meet when due the principal and interest payments for all outstanding bonds on the particular building or property which is sold. A school district shall utilize the sale proceeds placed in the capital expenditure fund pursuant to this clause for the following purposes: (1) to finance energy conservation and renewable energy measures which will reduce the use of nonrenewable sources of energy; (2) to reduce or eliminate barriers or to increase access to school facilities by handicapped individuals as required by law; (3) to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F; and (4) to purchase a replacement building or property.

(3) Notwithstanding clauses (1) and (2), a district which sells a building or property which was initially purchased or constructed in its entirety with money from its capital expenditure fund, may place proceeds of the sale in its capital expenditure fund. A district which sold a building in the fiscal year ending June 30, 1981, which was initially purchased in its entirety with funds from its capital expenditure fund and which deposited those funds into its debt retirement fund may transfer the proceeds to its capital expenditure fund before September 1, 1981.

Sec. 14. Minnesota Statutes 1980, Section 124.14, Subdivision 2, is amended to read:

Subd. 2. If the commissioner determines that the amount of state aid distributed to a school district is in error, he is authorized to adjust the amount of aid consistent with this subdivision. If the commissioner determines that the amount of aid is in excess of the school district's entitlement, he is authorized to recover the amount of the excess by any appropriate means, including the reduction of future aid payments to the school district. Notwithstanding any law to the contrary, if the aid reduced is not of the same type as that overpaid, the school district shall adjust all necessary financial accounts to properly reflect all revenues earned in accordance with the uniform financial accounting and reporting standards pursuant to sections 121.90 to 121.92. Notwithstanding the fiscal years designated by the appropriation, if the commissioner determines that the amount of an aid paid is less than the school district's entitlement, he is authorized to increase such aid from the current appropriation.

Sec. 15. Minnesota Statutes 1980, 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 section 124.28 the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125, but not to exceed 50 percent of the previous year's payment.

(2) For districts which received payments under sections 294.21 to 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to

298.67; 477A.15; 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, or recognized revenue pursuant to section 477A.15; the foundation aid shall be reduced in the October adjustment payment by the difference between the dollar amount of the payments received pursuant to those sections, or revenue recognized pursuant to section 477A.15 in the fiscal year to which the October adjustment is attributable and the amount which was calculated, pursuant to section 275.125, subdivision 9, as a reduction of the levy attributable to the fiscal year to which the October adjustment is attributable. 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 in the following manner: there shall be withheld from each monthly scheduled foundation aid payment due the district in such fiscal year, 15 percent of the total negative amount, until the total negative amount has been withheld. 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. 16. Minnesota Statutes 1980, Section 124.39, Subdivision 5, is amended to read:

Subd. 5. [LOAN REPAYMENT ACCOUNT; TRANSFER AND INVESTMENT OF MONEYS.] All moneys deposited to the credit of the loan repayment account and not required for the payment of principal and interest and costs as prescribed in subdivision 4 shall be transferred to the credit of the debt service loan account on July 1 of each year, and such those moneys are hereby annually appropriated in such to that account for the purposes prescribed by the maximum effort school aid law; except that the committee commissioner may retain in the loan repayment account any amount which if the commissioner estimates will not be needed for loans in the fiscal year commencing July 1. Moneys deposited to the credit of the loan repayment account and not required for such the transfers or for the payment of principal and interest due on school loan bonds may be invested and reinvested in securities which are general obligations of the United States or the state of Minnesota. When all school loan bonds have been fully paid with interest accrued thereon, the balance remaining in said the account shall be transferred to the state bond fund.

Sec. 17. Minnesota Statutes 1980, Section 124.40, Subdivision 2, is amended to read:

Subd. 2. [LOANS.] Any amounts remaining in the fund on July 1 of each year, including any unused portion of the appropriation made in subdivision 1, shall be available for use by the committee commissioner in making further debt service loans and capital loans.

Sec. 18. Minnesota Statutes 1980, Section 124.41, is amended to read:

124.41 [SCHOOL LOANS.]

Subdivision 1. [AUTHORIZATION.] The members of the equalization aid review committee defined in section 124.212, subdivision 10; commissioner shall receive and consider applications for and grant or deny loans under sections 124.36 to 124.47.

Subd. 2. [APPLICATION FORMS; RULES.] The ~~committee~~ commissioner, with the assistance of the attorney general or an assistant designated by him, shall prepare forms of applications for debt service loans and capital loans and instruments evidencing ~~such the~~ loans, and shall promulgate ~~regulations~~ rules to facilitate ~~its the~~ commissioner's operations in compliance with sections 124.36 to 124.47, ~~and such regulations~~. The rules shall be subject to the procedure set forth in sections 15.0411 to 15.0422.

Subd. 3. [STAFF.] The ~~committee~~ commissioner may employ a clerk, for purposes of sections 124.41 to 124.476 who may be designated assistant secretary, to serve at ~~its the~~ commissioner's pleasure and to be in unclassified service of the state, and fix ~~his the~~ assistant secretary's compensation, which shall be paid out of the administration account of the fund.

Sec. 19. Minnesota Statutes 1980, Section 124.42, Subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION; APPLICATION; AWARD; INTEREST.] Any school district in which the required levy for debt service in any year will exceed its maximum effort debt service levy by ten percent or by \$5,000, whichever is less, is qualified for a debt service loan hereunder in an amount not exceeding the amount applied for, and not exceeding one percent of the net debt of the district, and not exceeding the difference between the required and the maximum effort debt service levy in ~~such that~~ year. Applications shall be filed with the ~~committee~~ commissioner in each calendar year up to and including September 15. The ~~committee~~ commissioner shall determine whether the applicant is entitled to ~~such a~~ loan and the amount thereof, and on or before October 1 shall certify to each applicant district the amount granted and its due date. ~~A copy of each such certificate shall be filed with the commissioner. Upon receipt by the commissioner of a copy of the committee's certificate that the loan is granted, the commissioner shall notify the county auditor or county auditors of each county in which the district is located that the amount so certified is available and appropriated for payment of principal and interest on its outstanding bonds, and such the auditors shall reduce by that amount the taxes otherwise leviable as the district's debt service levy on the tax rolls for such that year. Each debt service loan shall bear interest from its date at a rate determined by the commissioner of finance annually, at the multiple of one-tenth of one percent per annum next higher than the average annual rate payable on Minnesota state school loan bonds from time to time outstanding, but in no event less than 3 1/2 percent per annum on the principal amount from time to time remaining unpaid, payable on December 15 of the year next following that in which the loan is received and annually thereafter.~~

Sec. 20. Minnesota Statutes 1980, Section 124.42, Subdivision 2, is amended to read:

Subd. 2. [NOTE.] Each debt service loan shall be evidenced by a note which shall be executed ~~in~~ on behalf of the district by the signatures of its chairman or vice chairman and the school district clerk, shall be dated November 1 of the year in which executed, and shall state its principal amount, interest rate, and that it is payable at the commissioner's office. It shall have printed thereon, or the commissioner shall attach thereto, a grill for entry of the date and amount of each payment and allocations of each payment to accrued interest or principal, and a certificate to be executed by the county auditor of each county in which

any portion of the school district is situated, prior to the delivery of the note, stating that ~~such~~ the county auditor has entered the debt service loan evidenced thereby in his bond register. ~~Such~~ The notes shall be delivered to the ~~committee commissioner~~ not later than November 15 of the year in which executed. The ~~secretary commissioner~~ shall cause a record to be made and preserved showing the obligor district and the date and principal amount of each note, and shall then deliver it to the commissioner who shall make suitable record thereof.

Sec. 21. Minnesota Statutes 1980, Section 124.43, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION; APPLICATION; USE; AMOUNT.] To the extent moneys are from time to time available hereunder, the ~~committee is authorized~~ commissioner may, after review and recommendation by the state board of education, to effect make capital loans to school districts. Proceeds of ~~such~~ the loans shall be used only for sites for school buildings and for acquiring, bettering, furnishing, or equipping school buildings under contracts to be entered into within 12 months from and after the date on which each loan is granted. Applications with the accompanying data specified in subdivision 2 shall be filed between October 1 of any year and June 1 next following. No application shall be approved unless the state board of education certifies that the loan is needed to replace facilities dangerous to the health and safety of pupils, or to provide for pupils for whom no adequate facilities exist; that ~~such~~ those facilities could not be made available by consolidating the district with an adjacent district without substantially lowering the fiscal capacity of that district or so increasing its area that it would no longer be viable; and that existing institutions or facilities within the area could not be acquired or leased to provide the needed facilities safely and at a lower cost. The state board shall make recommendations for the approval or denial of a loan to the ~~committee commissioner~~. No loan shall be approved for any district exceeding an amount computed as follows:

- (1) The amount voted by the district under subdivision 2;
- (2) Plus the aggregate principal amount of general obligation bonds of the district outstanding on the date of approval, not exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or 22.5 percent of the adjusted assessed value, whichever is less;
- (3) Less the maximum net debt permissible for the district on the date of approval, under the limitation in section 475.53, subdivision 4, or 22.5 percent of the adjusted assessed value, whichever is less; and
- (4) Less any amount by which the amount voted exceeds the total cost of the facilities for which the loan is granted, as estimated in accordance with subdivision 4, provided that the loan may be approved in an amount computed as provided in clauses (1) to (3), subject to subsequent reduction in accordance with this clause.

Sec. 22. Minnesota Statutes 1980, Section 124.43, Subdivision 2, is amended to read:

Subd. 2. [DISTRICT PROCEDURES.] The school board of any district desiring a loan shall adopt a resolution stating the amount proposed to be borrowed, the purpose for which the debt is to be incurred, and an estimate of the dates when the facilities for which the loan is requested will be contracted

for and completed. The question of authorizing the borrowing of funds for the facilities shall be submitted to the voters of the district at a regular or special election. The question submitted shall state the total amount to be borrowed from all sources. A majority of those voting on the question shall be sufficient to authorize the district to effect the state loan *application* and also to issue the bonds on public sale in accordance with chapter 475. Applications for loans shall be accompanied by (a) a copy of ~~such the~~ resolution, (b) a certificate by the clerk showing the vote at the election, (c) a certificate by the clerk and treasurer showing the then outstanding indebtedness of the district, and (d) a certificate by the county auditor of each county in which a portion of the district lies showing the information in his official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4. The clerk's and treasurer's certificate shall show, as to each outstanding bond issue, the amount originally issued, the purpose for which issued, the date of issue, the amount remaining unpaid as of the date of the resolution, and the interest rates and due dates and amounts of principal thereon. Applications shall be in ~~such the~~ form and accompanied by such additional data as the ~~committee~~ commissioner and state board of education shall prescribe, which may include a statement from the state department of education as to the district's need of the proposed schoolhouses in comparison with needs of other districts. When an application is received, the ~~committee~~ commissioner shall obtain from the commissioner of revenue, and from the public utilities commission when required, the information in their official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4.

Sec. 23. Minnesota Statutes 1980, Section 124.43, Subdivision 3, is amended to read:

Subd. 3. [AWARD OF LOANS.] The ~~committee~~ commissioner shall examine and consider all applications for capital loans which have been recommended by the state board of education, and if any applicant district is found not qualified it shall be promptly notified thereof. On January 1 and July 1 of each year, the ~~committee~~ commissioner shall make ~~its~~ a determination on all pending applications which have been on file with ~~the~~ the commissioner more than one month. If an applicant is qualified in the opinion of the ~~committee~~ commissioner and the aggregate of the amounts applied for does not exceed the amount available or which can be made available in the capital loan account, all loans ~~so~~ applied for shall be granted, subject to acceptance by the respective districts as specified below. If the aggregate exceeds the amount which is or can be made available, the ~~committee~~ commissioner shall allot the available amount among the qualified applicant districts, or any of them, according to the ~~committee's~~ commissioner's judgment and discretion based upon their respective needs. The ~~committee~~ commissioner shall promptly certify to each qualified applicant district the amount, if any, of the capital loan granted to it, subject to adjustment under subdivision 1, clause (4).

Sec. 24. Minnesota Statutes 1980, Section 124.43, Subdivision 4, is amended to read:

Subd. 4. [CONTRACT; LEVY; REPAYMENT.] Each capital loan shall be evidenced by a contract between the school district and the state acting through the ~~committee~~ commissioner. It shall obligate the state to pay to the district, out of the maximum effort school loan fund, an amount computed as provided in

subdivision 1, upon receipt by the ~~committee~~ commissioner of a certified resolution of the school board reciting that contracts for construction of the facilities for which the loan is granted have been awarded and that bonds of the district have been issued and sold in the amount necessary to pay all costs thereof in excess of the amount of the loan, and estimating ~~such~~ the costs. It shall obligate the district to repay the loan out of the excesses of its maximum effort debt service levy over its required debt service levy, including interest at a rate determined annually by the commissioner of finance, at the multiple of one-tenth of one percent per annum next higher than the average annual rate payable on Minnesota state school loan bonds, but in no event less than 3 1/2 percent per annum on the principal amount from time to time unpaid. The district shall each year, as long as it is indebted to the state, levy for debt service (a) the amount of its maximum effort debt service levy or (b) the amount of its required debt service levy, whichever is greater, except as ~~such~~ the required debt service levy may be reduced by a loan under section 124.42. Whenever the maximum effort debt service levy is greater, the district shall remit to the commissioner within ten days after its receipt of the last regular tax distribution in each year, that portion of the debt service tax collections; including penalties and interest, which exceeded the required debt service levy. The commissioner shall supervise the collection of outstanding accounts due the fund and may, by notice to the proper county auditor require the maximum levy to be made as required hereunder. Interest on capital loans shall be paid on December 15 of the year next following that in which the loan is granted and annually thereafter. On or before November 1 in each year the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and ~~said~~ the county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified. ~~In the event that~~ If any capital loan is not paid within 30 years after it is granted from maximum effort debt service levies in excess of required debt service levies, the liability of the school district thereon shall be satisfied and discharged and interest thereon shall cease. After a district's capital loan has been outstanding for 20 years, the district shall not issue bonds on the public market except for the purpose of refunding ~~such~~ a the loan.

Sec. 25. Minnesota Statutes 1980, Section 124.43, Subdivision 5, is amended to read:

Subd. 5. [PARTICIPATION BY COUNTY AUDITOR; RECORD OF CONTRACT; PAYMENT OF LOAN.] Before delivery of any capital loan contract, the school district shall file a copy thereof with the county auditor of each county in which any portion of the district is situated, and shall obtain from each ~~such~~ county auditor and furnish to the ~~committee~~ commissioner a certificate stating that ~~such~~ the county auditor has entered the capital loan evidenced thereby in his bond register. As each executed contract is delivered to the ~~committee~~ commissioner, ~~its secretary~~ the commissioner shall cause a record thereof to be made and preserved showing the name and address of the district, the date of the contract, and the amount of the loan initially approved in accordance with subdivision 1. Upon receipt of the resolution required in subdivision 4, the commissioner shall issue a warrant on the capital loan account for the amount which may be disbursed in accordance with subdivision 1, payable on presentation to the state treasurer. On presentation the treasurer

shall remit the amount to the district and enter the date and amount in his account with the district. Interest thereon shall accrue from ~~such~~ that date.

Sec. 26. Minnesota Statutes 1980, Section 124.474, is amended to read:

124.474 [BOND ISSUE, MAXIMUM EFFORT SCHOOL LOANS; 1969.]

For the purpose of providing moneys to be loaned to school districts as agencies and political subdivisions of the state for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance is directed to issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000, in addition to the bonds heretofore authorized for this purpose, which amount is appropriated to the maximum effort school loan fund and shall be expended under the direction of the ~~school loan committee~~ commissioner for the making of debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. These bonds shall be issued and sold and provision for the payment thereof shall be made in accordance with section 124.46, and an amount sufficient to pay interest on the bonds to and including July 1 in the second year after the date of issue shall be credited from the bond proceeds to the school loan bond account in the state bond fund. Any expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for ~~such~~ those purposes, shall be paid from the maximum effort school loan fund, and the amounts necessary therefor are appropriated from ~~such~~ fund it.

Sec. 27. Minnesota Statutes 1980, Section 124.476, is amended to read:

124.476 [BOND ISSUE, MAXIMUM EFFORT SCHOOL LOANS; 1980.]

For the purpose of providing moneys to be loaned to school districts as agencies and political subdivisions of the state for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance is directed to issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000, in addition to the bonds heretofore authorized for this purpose, which amount is appropriated to the maximum effort school loan fund and shall be expended under the direction of the ~~equalization aid review committee~~ commissioner for the making of debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. These bonds shall be issued and sold and provision for their payment shall be made in accordance with section 124.46, and an amount sufficient to pay interest on the bonds to and including July 1 in the second year after the date of issue shall be credited from the bond proceeds to the school loan bond account in the state bond fund. Any expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, shall be paid from the maximum effort school loan fund, and the amounts necessary for the expenses are appropriated from it.

Sec. 28. Laws 1973, Chapter 683, Section 26, Subdivision 13, is amended to read:

Subd. 13. *Nothing contained in this section shall be construed to prohibit any pupil residing in District No. 309 from attending the experimental school*

established by this section. ~~Nothing~~ Nor shall anything contained in this section be construed to prohibit any pupil residing on land within the refined boundaries of the experimental school as set out in subdivision 1 from ~~attending~~ enrolling at the beginning of a school year in any other school within District No. 309. Nor shall ~~anything contained in this section be construed to prohibit any pupil residing in District No. 309 from attending the experimental school established by this section~~ Notwithstanding any law to the contrary, a pupil who enrolls in the experimental school at any time during a school year shall not be permitted to attend any other school within District No. 309 as a resident for purposes of receiving a tuition free education subsequently during that school year.

Sec. 29. [EXPERIMENTAL SCHOOL EXPIRATION DATE.]

Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended by Laws 1975, Chapter 432, Section 88, as amended by Laws 1977, Chapter 447, Section 28, is amended to read:

Subd. 17. The provisions of this section shall expire July 1, ~~1981~~ 1983. 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. 30. [REPEALER.]

Minnesota Statutes 1980, Sections 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 123.40, Subdivision 5; 123.703, Subdivision 3; and 124.247, Subdivision 5, are repealed.

Sec. 31. [EFFECTIVE DATE.]

Section 13 of this article shall be effective the day following final enactment.

ARTICLE VIII

TEACHER MOBILITY

Section 1. Minnesota Statutes 1980, Section 125.60, Subdivision 2a, is amended to read:

Subd. 2a. Any school board which denies a request for an extended leave of absence pursuant to this section shall report this denial and the reasons therefor to the commissioner within 30 days. Prior to February 1, ~~1979~~ and each year thereafter, the commissioner shall file a written report with the education committees of the legislature on any denials reported pursuant to this subdivision.

Sec. 2. Minnesota Statutes 1980, Section 125.60, Subdivision 7, is amended to read:

Subd. 7. No school board shall grant an extended leave of absence pursuant to this section without applying for and receiving authorization from the commissioner of education. The commissioner of education shall establish dead-

lines and procedures for applications pursuant to this subdivision and shall approve or disapprove applications pursuant to this subdivision within the limits of the appropriation for the purposes of sections 354.094 and 354A.091. *Each application shall state whether the teacher requesting the extended leave of absence pursuant to this section intends to pay the employee contribution and requests state payment of the employer contribution into the teacher's retirement fund pursuant to section 354.094 or 354A.091 in order to receive retirement service credit for years spent on leave.*

Sec. 3. Minnesota Statutes 1980, Section 125.611, Subdivision 1, is amended to read:

Subdivision 1. For purposes of this section, "teacher" means a teacher as defined in section 125.03, subdivision 1, who:

(a) is employed in the public elementary, secondary or area vocational-technical schools in the state; ~~who and~~

(b) either

(1)(i) has not less than 15 total years of full time teaching service in elementary, secondary and area vocational-technical schools, and

(ii) ~~who~~ has or will have attained the age of 55 years but less than 65 years as of the June 30 in the school year during which an application for an early retirement incentive is made, or

(2) has not less than 30 total years of full time teaching service in elementary, secondary and area vocational-technical schools.

Sec. 4. Minnesota Statutes 1980, Section 125.611, Subdivision 3, is amended to read:

Subd. 3. A teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of his services, withdrawal from active teaching service; and payment of an early retirement incentive. This application shall be submitted on or before June 1 of the school year at the end of which the teacher wishes to retire, and shall be submitted on the form established by the commissioner of education for this purpose. *A teacher is not eligible for an early retirement incentive if he has ever been granted an extended leave of absence, pursuant to section 125.60, and has not been reemployed with the district at least three years prior to making an application for an early retirement incentive.*

Sec. 5. Minnesota Statutes 1980, Section 125.611, Subdivision 8, is amended to read:

Subd. 8. 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 \$10,000. This amount shall be reduced by \$500 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$1,500 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the June 30 in the school year during which the application for the early retirement incentive is made.

Sec. 6. Minnesota Statutes 1980, Section 125.611, Subdivision 9, is amended to read:

Subd. 9. Notwithstanding the provisions of subdivision 8, an eligible teacher who wishes to retire at the end of the 1979-1980, 1980-1981, or 1981-1982 school year, who is employed by a school district which is implementing a desegregation plan ordered by federal court or approved by the state board, and who is offered and accepts an early retirement incentive contract pursuant to subdivision 7, shall receive an early retirement incentive in the amount of \$15,000. This amount shall be reduced by \$750 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$2,250 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the June 30 in the school year during which the application for the early retirement incentive is made.

Sec. 7. Minnesota Statutes 1980, Section 354.094, Subdivision 1, is amended to read:

Subdivision 1. If a member is granted an extended leave of absence pursuant to section 125.60 or 136.88, he may receive allowable service credit toward annuities and other benefits under this chapter, 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 state 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. *If at any time state funds are not available for the purpose of making employer contributions the executive director shall, at least 60 days prior to the due date, notify the member and the employing school board or board as defined in section 136.88 of this fact. The member or the employing school board or board when so notified may make the required employer contribution, in any proportion which they may agree upon, by the date required by this subdivision.* 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.

Sec. 8. Minnesota Statutes 1980, Section 354A.091, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any provision to the contrary of this chapter or the articles of incorporation or bylaws of an association relating to the salary figure to be used for the determination of contributions or the accrual of service credit, an elementary, secondary or area vocational-technical school teacher in the public schools of a city of the first class who is granted an extended leave of absence pursuant to section 125.60 shall be entitled to receive allowable service credit in the applicable association for each year of leave. To obtain the service credit, the teacher on extended leave shall make an employee contribution to the applicable association each year during the period of the leave. The extended leave period for which a teacher shall be entitled to receive allowable service credit pursuant to this section shall not exceed the leave duration maximum set forth in section 125.60, subdivision 2. If the teacher on extended leave makes the employee contribution pursuant to this section during a leave of absence year, the state shall make an employer contribution on behalf of the teacher to the ~~applicable~~ appropriate association for that year. The employee and employer contributions shall be in an amount equal to the employee and employer contribution rates in effect for other active members of the associa-

tion covered by the same program applied to a salary figure equal to the teacher's actual covered salary for the plan year immediately preceding the leave. Payment of the employee contribution authorized pursuant to this section shall be made by the teacher on or before June 30 of the fiscal year for which service credit is to be obtained, and payment of the employer contribution shall be made by the state within 30 days of notification by the association of receipt of the required employee contribution. *If at any time state funds are not available for the purpose of making employer contributions the association shall, at least 60 days prior to the due date, notify the teacher and the employing school board of this fact. The teacher or the employing school board when so notified may make the required employer contribution, in any proportion which they may agree upon, by the date required by this subdivision.* No allowable service with respect to a year of extended leave of absence shall be credited to a teacher until payment of the required employee and employer contributions has been received by the association.

Sec. 9. [APPROPRIATION.]

To meet the state's obligation prescribed in Minnesota Statutes, Sections 124.611, 354.094, 354.66, 354A.091, and 354A.094, there is appropriated for the fiscal year ending June 30:

\$3,050,038 1982,
\$3,510,771 1983.

(a) Any unexpended fund balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

(b) Notwithstanding the provisions of Minnesota Statutes 1980, Sections 354.43 and 354A.12, the state's obligations prescribed in Minnesota Statutes 1980, Sections 354.094, 354.66, 354A.091, and 354A.094 shall not be financed out of standing appropriations for the state's obligations pursuant to Minnesota Statutes 1980, Chapter 354 or 354A.

Sec. 10. [EFFECTIVE DATE.]

Sections 7 and 8 of this article shall be effective the day following final enactment.

Amend the title as follows:

Page 1, delete lines 2 to 5 and insert:

"relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; requiring a property accounting system for AVTI's; providing for an arts in education program; providing for a low-power T.V. education project; modifying criteria for participation in teacher mobility and early retirement programs; providing for the transfer of proceedings from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; appropriating money; amending Minnesota Statutes 1980, Sections 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.0751, Subdivision 5; 120.17, Subdivisions 1a, 3b, 4, 5a, 6, 7 and by adding a subdivision; 120.78; 121.90; 121.902, by adding a subdivision;

121.904, by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2, 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.705; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b and by adding a subdivision; 124.14, Subdivision 2; 124.17, by adding a subdivision; 124.20; 124.212, Subdivisions 1, 7d, 8a, 9a and by adding subdivisions; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding a subdivision; 124.271, Subdivisions 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 6, 9 and by adding a subdivision; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.5621, Subdivisions 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 4 and 5; 124.5624, Subdivisions 3, 4 and 6; 124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3, 8 and by adding subdivisions; 124.573, Subdivisions 2, 3, 3a, 5 and by adding subdivisions; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 8 and 9; 126.262, Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 273.138, Subdivisions 1 and 6; 275.125, Subdivisions 2a, 6b, 6c, 7a, 8, 9, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivision 1; 354A.091, Subdivision 1; 375.335, Subdivision 4 and by adding subdivisions; and Laws 1973, Chapter 683, Section 26, Subdivisions 13 and 17, as amended; proposing new law coded in Minnesota Statutes, Chapters 3; 121; 124; and 275; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 123.40, Subdivision 5; 123.703, Subdivision 3; 123.937; 124.225, Subdivisions 4, 7 and 8; 124.247, Subdivision 5; 124.26, Subdivision 3; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 273.138, Subdivision 3; 275.125, Subdivision 7b; and Laws 1980, Chapter 609, Article IV, Sections 19, 20 and 21."

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 301 and 953 were read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Johnson moved his name be stricken as chief author, shown as second author and Mr. Pehler be added as chief author to S. F. No. 508. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, the Senate proceeded 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.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 1392: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; providing for the regulation of professional wrestling; imposing a tax on the gross receipts from admission to professional wrestling exhibitions, and on the gross receipts from the lease or sale of radio, motion picture and television rights therein; providing penalties; amending Minnesota Statutes 1980, Sections 12.14; 15.0412, Subdivision 4; 16A.128; 161.242, Subdivision 4; 168.013, Subdivisions 1c and 1e; 168.12, Subdivisions 1 and 2a; 168.27, Subdivisions 16 and 17; 168.33, Subdivision 7; 169.09, Subdivision 7; 169.79; 169.974, Subdivision 2; 171.13, by adding a subdivision; 171.36; 173.25; 174.255, by adding a subdivision; 174.31; 214.06, Subdivision 1; 216B.62, Subdivision 3 and by adding a subdivision; 237.295, Subdivision 2 and by adding a subdivision; 239.10; 239.52; 270.051, Subdivision 2; 297B.035, Subdivision 2; 319A.21; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.02, Subdivisions 4 and 5; 340.11, Subdivisions 3, 3a and 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.14, Subdivision 5; 340.17; 340.18, Subdivision 4; 340.402; 340.435, Subdivision 2; 340.493, Subdivision 2; 340.62; 341.01; 341.02; 341.04; 341.05; 341.07; 341.08; 341.09; 341.10; 341.12; 341.13; 341.15; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; and 626.845, by adding a subdivision; Laws 1980, Chapter 534, Section 87; proposing new law coded in Minnesota Statutes, Chapter 138; repealing Minnesota Statutes 1980, Sections 168C.01; 168C.02; 168C.03; 168C.04; 168C.05; 168C.06; 168C.07; 168C.08; 168C.09; 168C.11, 168C.12; 168C.13; and 239.521.

Under the rules of the Senate, laid over one day.

Messrs. Johnson, by request, Hanson, by request, and Peterson, C.C., by request, introduced—

S.F. No. 1393: A bill for an act relating to taxation; appropriating money for state payments to local units of government; limiting the amount of homestead credits; limiting local levies; imposing additional income taxes on individuals, estates, trusts, and corporations; limiting certain deductions; redefining the method for inflation proofing brackets, credits, and deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; allowing deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the permissible levy for school districts to 23 mills; providing for a one year suspension of the penalty for school district underlevy; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 124.212, by adding a subdivision; 270.75; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivision 15a; 273.136, Subdivision 3; 273.138, Subdivision 5; 273.139, Subdivision 3; 275.125, Subdivision 2a; 275.50, Subdivision 2; 275.51, Subdivision 1 and by adding subdivisions; 275.55; 290.01,

Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding subdivisions; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10, and 15; 290.10; 290.18, Subdivision 2, and by adding a subdivision; 290A.03, Subdivision 8; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 477A.01, Subdivision 4b; 477A.03; 477A.13; proposing new law coded in Minnesota Statutes, Chapters 275 and 295; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4, and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59 and 291.33.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pillsbury, Renneke, Berg and Ashbach introduced—

S.F. No. 1394: A bill for an act relating to congressional districts; apportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; and 2.801.

Referred to the Committee on Elections and Reapportionment.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Sikorski moved that H. F. No. 326 be taken from the table. The motion prevailed.

Mr. Sikorski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 326, 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.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:30 p.m. The motion prevailed.

The hour of 7:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Remaining on the Business of Motions and Resolutions, Mr. Moe, R. D. 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. Willet in the chair.

After some time spent therein, the committee arose, and Mr. Willet reported that the committee had considered the following:

S. F. Nos. 461, 1264 and H. F. Nos. 659, 582 and 918, which the committee recommends to pass.

H. F. No. 889, which the committee recommends to pass, subject to the following motion:

Mr. Pehler moved that the amendment made to H. F. No. 889 by the Committee on Rules and Administration in the report adopted April 29, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 54, which the committee recommends to pass with the following

amendments offered by Mrs. Brataas and Mr. Luther:

Mrs. Brataas moved to amend H. F. No. 54, as amended pursuant to Rule 49, adopted by the Senate April 28, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 392.)

Page 1, line 14, delete "a"

Page 1, line 14, delete "negotiation with its employees" and insert "negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals,"

Page 2, line 1, delete "development," and insert "developments or"

Page 2, line 2, delete "or" and insert "and"

The motion prevailed. So the amendment was adopted.

Mr. Luther moved to amend H.F. No. 54, as amended pursuant to Rule 49, adopted by the Senate April 28, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 392.)

Page 1, line 12, delete "shall" and insert "may"

Page 2, line 7, delete "based on the recording in question"

Page 2, line 8, delete "sealed and"

Page 2, line 9, delete everything after "court" and insert "until otherwise made available to the public pursuant to this section."

Page 2, line 10, delete everything before "If"

Page 2, line 11, delete "based on the recording"

Page 2, line 13, delete "such" and insert "any"

Page 2, line 15, after "action" insert "brought before or after the tape is made available to the public"

The motion prevailed. So the amendment was adopted.

Mr. Kroening moved to amend H.F. No. 54, as amended pursuant to Rule 49, adopted by the Senate April 28, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 392.)

Page 2, after line 17, insert:

"Sec. 2. [REPEALER.]

The provisions of section 1 are repealed July 1, 1983."

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 39, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Knoll	Menning	Stokowski
Davis	Humphrey	Kroening	Merriam	Stumpf
Dicklich	Johnson	Lindgren	Sikorski	Vega
Dieterich	Keefe	Luther	Spear	Waldorf

Those who voted in the negative were:

Ashbach	Chmielewski	Langseth	Peterson, D.L.	Schmitz
Bang	Dahl	Lantry	Peterson, R.W.	Setzepfandt
Belanger	Davies	Lessard	Petty	Taylor
Benson	Engler	Moe, D. M.	Pillsbury	Tennessee
Berg	Frank	Nelson	Purfeerst	Ulland
Bernhagen	Frederickson	Pehler	Ramstad	Wegener
Bertram	Knutson	Penny	Renneke	Willet
Brataas	Kronebusch	Peterson, C.C.	Rued	

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

S.F. No. 975, which the committee recommends to pass, after the following motion:

Mr. Kroening moved to amend S.F. No. 975 as follows:

Page 1, line 10, after "*enactment*" insert "*and shall be repealed two years after that date, so that Minnesota Statutes 1980, Section 47.203, would be reinstated at that time*"

Amend the title as follows:

Page 1, line 3, after "loans" insert "for a period of two years"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 32, as follows:

Those who voted in the affirmative were:

Chmielewski	Johnson	Lindgren	Pehler	Stumpf
Davis	Keefe	Luther	Peterson, D.L.	Vega
Dicklich	Kroening	Menning	Sikorski	Waldorf
Dieterich	Langseth	Merriam	Spear	Willet
Frank	Lantry	Moe, D. M.	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Kronebusch	Petty	Setzepfandt
Bang	Dahl	Lessard	Pillsbury	Solon
Belanger	Davies	Nelson	Purfeerst	Taylor
Benson	Engler	Othoff	Ramstad	Ulland
Berg	Frederick	Penny	Renneke	
Bernhagen	Frederickson	Peterson, C.C.	Rued	
Bertram	Hanson	Peterson, R.W.	Schmitz	

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

H. F. No. 28, which the committee recommends to pass with the following amendments offered by Mr. Hanson:

Mr. Hanson moved to amend H.F. No. 28, the unofficial engrossment, as follows:

Page 1 of the Bernhagen amendment, adopted by the Senate April 30, 1981, delete lines 6 and 7

Page 2 of the unofficial engrossment, lines 28 and 29, delete "*private pension fund*" and insert "*benevolent trust*"

Page 2, line 29, after "by" insert "*the owners of*"

Page 6, after line 7, insert:

"(p) An interest in the title to agricultural land acquired by a pension fund

or family trust established by the owners of a family farm, authorized farm corporation or family farm corporation, but limited to the farm on which one or more of those owners or shareholders have resided or have been actively engaged in farming as required by subdivision 2, clause (b), (c), or (d)."

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend the Bernhagen amendment to H.F. No. 28, adopted by the Senate April 30, 1981, as follows:

Delete the amendment to page 3, line 6

The motion prevailed. So the amendment to the Bernhagen amendment was adopted.

S. F. No. 876, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 60, line 21, after the period, insert "*No political subdivision may impose or enforce any additional limitations on the political activities of its employees.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 306, which the committee reports progress, subject to the following motion:

Mr. Luther moved to amend H.F. No. 306, the unofficial engrossment, as follows:

Page 2, line 7, delete "*; provided however, in any prosecution*" and insert a period

Page 2, line 11, delete "*; provided that*" and insert a period

Page 2, line 14, delete "*or*" and insert "*and the benefit, consideration, compensation, or reward received in connection with*"

Page 2, line 14, after "*offenses*" at the end of the line, insert "*may be*"

The motion prevailed. So the amendment was adopted.

H. F. No. 306 was then progressed.

H. F. No. 886, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Amend H. F. No. 886, as amended pursuant to Rule 49, adopted by the Senate April 27, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1277.)

Page 2, line 16, delete "*or*"

Page 2, line 23, before the period, insert "*; or*

(h) The tenant has repeatedly committed serious violations of the lease or provisions of a local ordinance or state law or rule relating to mobile homes, and the lessor has given the tenant written notice of the violations and has given the tenant a written warning that any future violation will be treated as cause for eviction as provided in this paragraph, and within six months of receiving the warning the tenant violates any material provision of the lease or

any provision of a local ordinance or state law or rule relating to mobile homes"

The motion prevailed. So the amendment was adopted.

S. F. No. 1305, which the committee recommends to pass with the following amendments offered by Mr. Chmielewski:

Page 3, after line 11, insert:

"Sec. 3. [CLOQUET WATER TREATMENT PLANT APPROPRIATION; EXTENSION.]

Notwithstanding any other provision of law to the contrary, so much of the appropriation made available to the city of Cloquet for use in constructing a water filtration system pursuant to Laws 1975, Chapter 437, Article XI, Section 2, Subdivision 2, as has not been expended shall remain available to the city until July 1, 1986, or until expended for the purpose for which it was appropriated."

Page 3, line 13, delete "section" and insert "of sections 1 and 2"

Page 3, line 15, after the period, insert "Section 3 is available the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "Duluth" insert "and the city of Cloquet"

Page 1, line 3, after "the" insert "Duluth" and after the semicolon, insert "extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant;"

The motion prevailed. So the amendment was adopted.

Mr. Chmielewski then moved to amend S.F. No. 1305 as follows:

Page 3, after line 11, insert:

"Sec. 3. [CITY OF HERMANTOWN; WATER SERVICE CONTRACT.]

The city of Hermantown shall enter into a contract with the city of Duluth no later than January 1, 1982, providing for the furnishing of water services by the city of Duluth to the city of Hermantown. If the contract is not concluded by that date, the public utilities commission shall, within 60 days, establish the rates and terms under which the service shall be provided."

Page 3, line 13, delete "section" and insert "of sections 1 and 2"

Page 3, line 15, after the period, insert "Section 3 is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "Duluth" insert "and the city of Hermantown"

Page 1, line 3, after "the" insert "Duluth" and after the semicolon, insert "requiring the public utilities commission to set the terms for water service to be provided by the city of Duluth to the city of Hermantown unless the cities

conclude a contract governing those services;"

The motion prevailed. So the amendment was adopted.

S. F. No. 1179, which the committee recommends to pass with the following amendments offered by Messrs. Davies and Peterson, C.C.:

Mr. Davies moved to amend S. F. No. 1179 as follows:

Page 4, delete section 3

Page 4, lines 30 to 36, delete the new language

Page 5, lines 1 to 4, delete the new language

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 17, delete "Subdivisions 2 and" and insert "Subdivision"

The motion prevailed. So the amendment was adopted.

Mr. Peterson, C.C. moved to amend S.F. No. 1179 as follows:

Amend the title as follows:

Page 1, line 5, delete "directing the state auditor to"

Page 1, delete line 6

Page 1, line 7, delete "payments;"

The motion prevailed. So the amendment was adopted.

S. F. No. 665, which the committee recommends to pass with the following amendment offered by Mr. Penny:

Page 2, line 28, after "contain" insert "(1)"

Page 2, line 30, after the comma, insert "(2)"

Page 2, line 34, after "and" insert "(3) the policy must provide the" and delete "for each category"

Page 2, line 35, before the period, insert "for the supplement specified"

The motion prevailed. So the amendment was adopted.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H. F. No. 1434 be withdrawn from the Committee on Finance and laid on the table. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m.,

Friday, May 1, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-FIFTH DAY

St. Paul, Minnesota, Friday, May 1, 1981

The Senate met at 9:30 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Daniel C. Brumm.

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

Ashbach	Dicklich	Lantry	Peterson, D.L.	Spear
Bang	Dieterich	Lessard	Peterson, R.W.	Stern
Belanger	Engler	Lindgren	Petty	Stokowski
Benson	Frank	Luther	Pillsbury	Stumpf
Berg	Frederick	Menning	Purfeerst	Taylor
Berglin	Frederickson	Merriam	Ramstad	Tennessen
Bernhagen	Hanson	Moe, D.M.	Renneke	Ulland
Bertram	Johnson	Moe, R.D.	Rued	Vega
Brataas	Knoll	Nelson	Schmitz	Waldorf
Chmielewski	Knutson	Olhoft	Setzepfandt	Wegener
Dahl	Kroening	Pehler	Sieloff	Willet
Davies	Kronebusch	Penny	Sikorski	
Davis	Langseth	Peterson, C.C.	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. Hughes, Humphrey and Keefe were excused from the Session of today. Mr. Frederick was excused from the Session of today until 10:30 a.m. Mr. Sieloff was excused from the Session of today until 11:00 a.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 29, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 preser-

vation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
642		57	April 29	April 29
718		58	April 29	April 29

Sincerely,

Joan Anderson Growe
Secretary of State

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. 671 and 825.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 30, 1981

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. 432: A bill for an act relating to taxation; providing dates for settlement of mortgage registry and deed tax receipts; providing for payment of excise tax on special fuel by bulk purchasers; clarifying responsibilities and authority of commissioner of revenue in administering and auditing mineral taxes; providing for filing requirements for royalty reports; amending Minnesota Statutes 1980, Sections 287.12; 287.29, Subdivision 1; 296.12, Subdivisions 3, 4, and 5, and by adding a subdivision; 298.09, by adding a subdivision; 298.15; 299.03; 299.05; and 299.12; and repealing Minnesota Statutes 1980, Section 287.29, Subdivision 2.

Senate File No. 432 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 30, 1981

Ms. Berglin moved that S. F. No. 432 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. 704.

H. F. No. 704: A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; increasing the tax thereon; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b.

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

Brinkman, Gruenes and Kostohryz have been appointed as such committee

on the part of the House.

House File No. 704 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 April 30, 1981

Mr. Pehler moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 704, 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. 1052.

H. F. No. 1052: A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

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

Aasness, Lehto and Norton have been appointed as such committee on the part of the House.

House File No. 1052 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 April 30, 1981

Mr. Olhoft moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1052, 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. 1088.

H. F. No. 1088: A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

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

Pogemiller, Rodriguez, F. and Kaley have been appointed as such committee on the part of the House.

House File No. 1088 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 April 30, 1981

Mr. Pehler moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1088, 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. 923, 936, 966, 161, 673, 788, 904 and 1132.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 30, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 923: A bill for an act relating to education; tax levies; authorizing Independent School District No. 256 to adjust its 1981 levy for school maintenance purposes.

Referred to the Committee on Education.

H. F. No. 936: A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1076, now on General Orders.

H. F. No. 966: A resolution memorializing the President and Congress to maintain the present schedule for natural gas price decontrol.

Referred to the Committee on Rules and Administration.

H. F. No. 161: A bill for an act relating to the city of Cloquet; permitting the city to contract, pay, and tax for certain public transportation services.

Referred to the Committee on Transportation.

H. F. No. 673: A bill for an act relating to commerce; increasing the amount of the surety bond required of collection agencies; authorizing the commissioner of securities and real estate to investigate and examine certain collection agencies; broadening the classification of prohibited practices; amending Minnesota Statutes 1980, Sections 332.34; 332.37; and 332.40.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 477, now on General Orders.

H. F. No. 788: A bill for an act relating to courts; conciliation courts; authorizing actions to recover amounts lost due to worthless checks in the county of issuance and where the plaintiff resides; amending Minnesota Statutes 1980, Section 487.30, by adding a subdivision; 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Referred to the Committee on Judiciary.

H. F. No. 904: A bill for an act relating to unemployment compensation; including retroactive wage awards within the definition of wages for unemployment compensation purposes; amending Minnesota Statutes 1980, Section 268.04, Subdivisions 25, 26, and 29.

Referred to the Committee on Employment.

H. F. No. 1132: A bill for an act relating to the revenue recapture act; expanding the definition of claimant agencies to include counties and state district courts; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivisions 2 and 5.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Moe, R. D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 217 and 691 for comparison with 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.
217	1055				
691	1211				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 217 be amended as follows:

Page 1, lines 12 and 13, delete "*western city limits of the city of Cosmos in Meeker County to the end of the trail at Clara City*" and insert "*West line of Government Lot 8, Section 17, Township 117 North of Range 32 West, in Meeker County, to the South right-of-way line of the public road intersecting the Trail, the intersection being on the line between the northwest quarter of the northwest quarter (NW1/4 NW1/4) of Section 17 and the northeast quarter of the northeast quarter (NE1/4 NE1/4) of Section 18, Township 117 North of Range 37 West.*"

Page 1, line 25, delete "*Counties*" and insert "*counties*"

Page 2, line 16, delete "*right-of-way*" and insert "*right of way*"

Page 3, delete lines 12 to 20

Page 3, line 21, delete "*5*" and insert "*4*"

Amend the title as follows:

Page 1, delete lines 2 to 6 and insert:

"relating to state trails; authorizing the conveyance of certain lands acquired by the department of natural resources for trail purposes."

And when so amended H. F. No. 217 will be identical to S. F. No. 1055, and further recommends that H. F. No. 217 be given its second reading and substituted for S. F. No. 1055, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 691 be amended as follows:

Page 1, lines 11 and 12, delete "Except as provided in subdivision 4 hereof,"

Page 1, line 14, after "However," insert "upon the court's own motion or" and after "proceedings," insert "except those involving conciliation court matters or petty misdemeanors,"

Page 1, lines 16 and 17, delete ", or a court reporter who meets minimum qualifications promulgated by the supreme court,"

Page 1, line 18, delete "said" and insert "the"

Page 1, line 19, after "OPERATOR" delete the comma and insert a semicolon

Page 1, line 20, delete "shall have" and insert "has"

Page 1, line 23, delete "such" and insert "on any" and after "other" insert "appropriate" and delete "as the court deems appropriate"

Page 1, line 24, delete "SPECIFICATION" and insert "SPECIFICATIONS"

Page 1, line 25, delete "the purpose" and insert "purposes"

Page 2, line 3, delete "such" and insert "the"

Page 2, delete lines 4 to 22

Delete page 2, line 26 to page 3, line 5 and insert:

"~~Such~~ Except as provided in section 1, a registered professional reporter shall make a complete stenographic record of all testimony given and all proceedings had before the judge upon the trial of issues of fact, with or without a jury, or before any referee appointed by ~~such~~ the judge. In so doing he shall take down all questions in the exact language thereof, and all answers thereto precisely as given by the witness or by the sworn interpreter in their exact language. He shall also record, verbatim, all objections made, and the grounds thereof for them as stated by counsel, all rulings thereon on them, all exceptions taken, all motions, orders, and admissions made and the charge to the jury. When directed so to do by the judge, he shall make a like record of any other matter or proceeding, and shall read to ~~such~~ the judge or referee any record made by him, or transcribe the same it, without charge, for any purpose in furtherance of justice."

Page 3, delete lines 9 to 17 and insert:

"As soon as the trial is ended, the reporter or operator of electronic record-

ing equipment shall file his stenographic report ~~thereof or tape recording of it~~ with the clerk, or elsewhere, if the judge ~~shall so direct directly; and,~~ Upon request of any person interested and payment or tender of his fees ~~therefor,~~ he shall furnish a transcript of ~~such the~~ record in the words and figures represented by the characters used in making ~~the same and for that purpose it.~~ He may take and retain ~~such the~~ record ~~so for as long as may be necessary, when it shall be returned to the files to prepare the transcript."~~

Page 3, delete lines 19 to 22 and insert:

"Section 1, subdivision 3 is effective the day after final enactment. Sections 1, subdivisions 1 and 2; 2; and 3 are effective upon promulgation of the specifications and minimum qualifications as provided in section 1, subdivision 3."

Amend the title as follows:

Page 1, line 2, delete "court reporting" and insert "courts"

Page 1, line 3, delete "district"

Page 1, line 5, after "486.02" insert a semicolon and before "proposing" delete "and"

And when so amended H. F. No. 691 will be identical to S. F. No. 1211, and further recommends that H. F. No. 691 be given its second reading and substituted for S. F. No. 1211, 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, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 515 for comparison with 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.
515	656				

and that the above Senate File be indefinitely postponed.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1391 and 1392 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 217, 691 and 515 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Petty moved that the name of Mr. Merriam be added as co-author to S. F. No. 730. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Merriam be added as co-author to S. F. No. 992. The motion prevailed.

Mr. Moe, R. D. moved that House Concurrent Resolution No. 3 be taken from the table. The motion prevailed.

House Concurrent Resolution No. 3: A House concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

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

(1) The House of Representatives and the Senate shall meet in joint convention on Monday, May 4, 1981, at 5:00 p.m. in the chamber of the House of Representatives to elect members to the Board of Regents of the University of Minnesota.

(2) The Education Committee of the Senate and the Education Committee of the House of Representatives, in a joint meeting, are appointed to submit a slate of nominations and to report the slate at the meeting of the joint convention.

Mr. Moe, R. D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

CALENDAR

H. F. No. 211: A bill for an act relating to local government; permitting agreements for compensation for transfers of taxable property in certain annexations; proposing new law coded in Minnesota Statutes, Chapter 414.

Was read the third time 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	Davis	Lantry	Peterson, R. W.	Stern
Bang	Dicklich	Lessard	Petty	Stokowski
Belanger	Dieterich	Lindgren	Pillsbury	Stumpf
Benson	Engler	Luther	Purfeerst	Taylor
Berg	Frank	Menning	Ramstad	Tennessee
Berglin	Frederickson	Merriam	Renneke	Ulland
Bernhagen	Hanson	Moe, D. M.	Rued	Vega
Bertram	Johnson	Olhoft	Schmitz	Waldorf
Brataas	Knutson	Pehler	Setzpfandt	Wegener
Chmielewski	Kroening	Penny	Sikorski	Willet
Dahl	Kronebusch	Peterson, C. C.	Solon	
Davies	Langseth	Peterson, D. L.	Spear	

So the bill passed and its title was agreed to.

H. F. No. 443: A bill for an act relating to education; specifying the author-

ity of a school board for selection and employment of a superintendent; amending Minnesota Statutes 1980, Section 123.34, 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Lantry	Peterson, D. L.	Spear
Bang	Dicklich	Lessard	Peterson, R. W.	Stern
Belanger	Dieterich	Lindgren	Petty	Stokowski
Benson	Engler	Luther	Pillsbury	Stumpf
Berg	Frank	Menning	Purfeerst	Taylor
Berglin	Frederickson	Merriam	Ramstad	Tennessee
Bernhagen	Hanson	Moe, D. M.	Renneke	Ulland
Bertram	Johnson	Nelson	Rued	Vega
Brataas	Knutson	Olhoft	Schmitz	Waldorf
Chmielewski	Kroening	Pehler	Setzepfandt	Wegener
Dahl	Kronebusch	Penny	Sikorski	Willet
Davies	Langseth	Peterson, C. C.	Solon	

So the bill passed and its title was agreed to.

H. F. No. 624: A bill for an act relating to corrections; clarifying the transfer of correctional inmates to medical facilities; providing for tuberculosis testing for correctional employees; clarifying unclaimed property of correctional inmates, and diversified labor accounts; changing terminology of correctional facilities; harmonizing furlough provisions; prescribing the time for counties to submit estimates for reimbursement for probation services; amending Minnesota Statutes 1980, Sections 241.07; 241.09; 241.14; 241.22; 241.64, Subdivisions 1 and 2; 242.20; 242.22; 242.43; 242.44; 242.45; 242.47; 242.48; 243.05; 243.20; 243.211; 243.465; 243.57; 243.58; 243.64; 244.07, Subdivision 1; 260.311, Subdivision 5; repealing Minnesota Statutes 1980, Sections 241.01, Subdivision 8; 241.15; 242.23; 242.24; 242.375; 242.52; 242.53; 243.06; 243.22; 243.25; 243.26; and 243.78.

Was read the third time 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	Davis	Lantry	Peterson, D. L.	Spear
Bang	Dicklich	Lindgren	Peterson, R. W.	Stern
Belanger	Dieterich	Luther	Petty	Stokowski
Benson	Engler	Menning	Pillsbury	Stumpf
Berg	Frank	Merriam	Purfeerst	Taylor
Berglin	Frederickson	Moe, D. M.	Ramstad	Tennessee
Bernhagen	Hanson	Moe, R. D.	Renneke	Ulland
Bertram	Johnson	Nelson	Rued	Vega
Brataas	Knutson	Olhoft	Schmitz	Waldorf
Chmielewski	Kroening	Pehler	Setzepfandt	Willet
Dahl	Kronebusch	Penny	Sikorski	
Davies	Langseth	Peterson, C. C.	Solon	

So the bill passed and its title was agreed to.

H. F. No. 634: A bill for an act relating to securities; providing for improved

regulation of the sale of securities and the licensing of broker-dealers, agents, and investment advisers; making miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 80A.04, Subdivision 4; 80A.05, Subdivision 1; 80A.07, Subdivision 1; 80A.12, Subdivision 3; 80A.14; 80A.15, Subdivisions 1 and 2; 80A.16; 80A.21, Subdivision 1; 80A.28, Subdivisions 1, 2, 3, 4 and 7, and by adding a subdivision; 80A.30, 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	Davis	Lessard	Peterson, D.L.	Spear
Bang	Dicklich	Lindgren	Peterson, R.W.	Stern
Belanger	Dieterich	Luther	Petty	Stokowski
Benson	Engler	Menning	Pillsbury	Stumpf
Berg	Frank	Merriam	Purfeerst	Taylor
Berglin	Frederickson	Moe, D. M.	Ramstad	Ulland
Bernhagen	Hanson	Moe, R. D.	Renneke	Vega
Bertram	Johnson	Nelson	Rued	Waldorf
Brataas	Knutson	Olhoft	Schmitz	Wegener
Chmielewski	Kroening	Pehler	Setzepfandt	Willet
Dahl	Langseth	Penny	Sikorski	
Davies	Lantry	Peterson, C.C.	Solon	

So the bill passed and its title was agreed to.

S. F. No. 64: A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; increasing the weekly maximums for certain first-party benefits; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for payment of certain benefits; increasing residual liability benefits; increasing certain uninsured benefits; establishing tort threshold limitations on uninsured motorist coverage; providing mandatory underinsured motorist coverage; amending Minnesota Statutes 1980, Sections 65B.44, Subdivisions 1, 3, 6, and 7; 65B.47, Subdivision 2, and by adding subdivisions; and 65B.49, Subdivisions 3 and 4, 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 27 and nays 32, as follows:

Those who voted in the affirmative were:

Berglin	Johnson	Moe, R. D.	Petty	Stokowski
Dahl	Lantry	Nelson	Schmitz	Stumpf
Dicklich	Luther	Olhoft	Sikorski	Tennessee
Dieterich	Menning	Pehler	Solon	
Frank	Merriam	Penny	Spear	
Hanson	Moe, D. M.	Peterson, R.W.	Stern	

Those who voted in the negative were:

Ashbach	Brataas	Kroening	Pillsbury	Vega
Bang	Chmielewski	Kronebusch	Ramstad	Waldorf
Belanger	Davies	Langseth	Renneke	Wegener
Benson	Davis	Lessard	Rued	Willet
Berg	Engler	Lindgren	Setzepfandt	
Bernhagen	Frederickson	Peterson, C.C.	Taylor	
Bertram	Knutson	Peterson, D.L.	Ulland	

So the bill failed to pass.

H. F. No. 932: A bill for an act relating to taxation; income; property tax refund; making technical corrections; deleting obsolete provisions; amending Minnesota Statutes 1980, Sections 290.01, Subdivisions 3, 19, 20, 21, 22, 23, 25, 26, and 27; 290.011; 290.032, Subdivision 2; 290.06, Subdivisions 1, 2c, 3e, 3f, and 11; 290.07, Subdivision 3; 290.071, Subdivisions 2 and 3; 290.075; 290.077, Subdivisions 1 and 2; 290.079, Subdivision 6; 290.08, Subdivision 8; 290.081; 290.085; 290.09, Subdivisions 1, 2, 4, 5, 6, 7, 10, 15, 18, 21, and 29; 290.095, Subdivision 2; 290.10; 290.101, Subdivision 9; 290.12, Subdivisions 1, 2, and 4; 290.13, Subdivision 5; 290.131, Subdivisions 1 and 3; 290.132, Subdivision 1; 290.133, Subdivision 2; 290.134, Subdivision 1; 290.135, Subdivision 1; 290.14; 290.16, Subdivisions 1, 3, 7, 8, 9, 12, and 13; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 1, 3, 3a, 4, and 7; 290.22; 290.23, Subdivisions 3, 5, 9, and 15; 290.25, Subdivision 1; 290.26, Subdivisions 1, 2a, and 3; 290.281, Subdivision 2; 290.31, Subdivisions 2, 3, 4, 6, 9, 10, 11, 21, and by adding a subdivision; 290.32; 290.34, Subdivision 3; 290.35; 290.39, Subdivision 1; 290.42; 290.45, Subdivision 3; 290.46; 290.48, Subdivision 2; 290.49, Subdivisions 1 and 4; 290.50, Subdivisions 1, 3, and 5; 290.53, Subdivisions 1 and 4; 290.56, Subdivisions 2, 3, and 4; 290.92, Subdivisions 5, 6, 16, and 19; 290.93, Subdivisions 5 and 6; 290.932, Subdivisions 1 and 4; 290A.03, Subdivisions 3 and 13; 290A.04, Subdivisions 2 and 2c; 290A.06; and 290A.07, Subdivision 2; repealing Minnesota Statutes 1980, Sections 290.076; 290.08, Subdivisions 7 and 13; 290.131, Subdivisions 4, 5, 6, and 7; 290.133, Subdivision 3; 290.134, Subdivisions 2, 3, and 4; 290.135, Subdivisions 2, 3, and 4; 290.23, Subdivisions 1, 2, 6, 7, 8, 10, 11, 12, 13, and 14; 290.24; 290.25, Subdivisions 2, 3, 4, and 5; 290.26, Subdivisions 4 and 7; 290.27; 290.28; 290.60; 290.65, Subdivision 17; 290.931, Subdivision 4; 290.932, Subdivision 3; 290.933, Subdivision 3; and 290.934, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Langseth	Penny	Sikorski
Bang	Dicklich	Lantry	Peterson, C. C.	Solon
Belanger	Dieterich	Lessard	Peterson, D. L.	Spear
Benson	Engler	Lindgren	Peterson, R. W.	Stern
Berg	Frank	Luther	Petty	Stokowski
Berglin	Frederickson	Menning	Pillsbury	Stumpf
Bernhagen	Hanson	Merriam	Purfeerst	Tennessee
Bertram	Johnson	Moe, D. M.	Ramstad	Ulland
Brataas	Knoll	Moe, R. D.	Renneke	Vega
Chmielewski	Knutson	Nelson	Rued	Waldorf
Dahl	Kroening	Olhoft	Schmitz	Wegener
Davies	Kronebusch	Pehler	Setzepfandt	Willet

So the bill passed and its title was agreed to.

H. F. No. 486: A resolution memorializing the Congress and the President of the United States to cease all military and economic aid to El Salvador.

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

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 40 and nays 17, as follows:

Those who voted in the affirmative were:

Berglin	Johnson	Moe, D. M.	Petty	Stokowski
Chmielewski	Knoll	Moe, R. D.	Purfeerst	Stumpf
Davies	Kroening	Nelson	Schmitz	Tennessee
Dicklich	Langseth	Olhoft	Setzepfandt	Ulland
Dieterich	Lantry	Pehler	Sikorski	Vega
Frank	Lessard	Penny	Solon	Waldorf
Frederickson	Luther	Peterson, C.C.	Spear	Wegener
Hanson	Merriam	Peterson, R.W.	Stern	Willet

Those who voted in the negative were:

Ashbach	Bernhagen	Davis	Menning	Taylor
Bang	Bertram	Engler	Pillsbury	
Belanger	Brataas	Knutson	Ramstad	
Berg	Dahl	Kronebusch	Rued	

So the resolution passed and its title was agreed to.

H. F. No. 54: A bill for an act relating to meetings of public bodies; allowing public employers to determine negotiation strategy at a nonpublic meeting; amending Minnesota Statutes 1980, Section 471.705, 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 50 and nays 11, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Langseth	Peterson, C.C.	Setzepfandt
Bang	Davies	Lantry	Peterson, D.L.	Sikorski
Belanger	Dicklich	Lessard	Peterson, R.W.	Solon
Benson	Dieterich	Menning	Petty	Stern
Berg	Engler	Moe, D. M.	Pillsbury	Stokowski
Berglin	Frank	Moe, R. D.	Purfeerst	Taylor
Bernhagen	Frederickson	Nelson	Ramstad	Tennessee
Bertram	Hanson	Olhoft	Renneke	Ulland
Brataas	Knutson	Pehler	Rued	Wegener
Chmielewski	Kronebusch	Penny	Schmitz	Willet

Those who voted in the negative were:

Davis	Kroening	Luther	Spear	Vega
Johnson	Lindgren	Merriam	Stumpf	Waldorf
Knoll				

So the bill passed and its title was agreed to.

H. F. No. 28: A bill for an act relating to agriculture; prohibiting pension or investment funds from farming or acquiring certain farm land; amending Minnesota Statutes 1980, Section 500.24, Subdivisions 2, 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 60 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Langseth	Penny	Sikorski
Bang	Dicklich	Lantry	Peterson, C. C.	Solon
Belanger	Dieterich	Lessard	Peterson, D. L.	Spear
Benson	Engler	Lindgren	Peterson, R. W.	Stern
Berg	Frank	Luther	Petty	Stokowski
Berglin	Frederickson	Menning	Pillsbury	Stumpf
Bernhagen	Hanson	Merriam	Purfeerst	Taylor
Bertram	Johnson	Moe, D. M.	Ramstad	Tennessee
Brataas	Knoll	Moe, R. D.	Renneke	Vega
Chmielewski	Knutson	Nelson	Rued	Waldorf
Dahl	Kroening	Olhoft	Schmitz	Wegener
Davies	Kronebusch	Pehler	Setzepfandt	Willet

Mr. Ulland voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 829: A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

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 38 and nays 21, as follows:

Those who voted in the affirmative were:

Berglin	Johnson	Moe, D. M.	Purfeerst	Stumpf
Chmielewski	Knoll	Moe, R. D.	Schmitz	Tennessee
Dahl	Kroening	Nelson	Setzepfandt	Vega
Davies	Langseth	Olhoft	Sikorski	Waldorf
Davis	Lantry	Pehler	Solon	Wegener
Dicklich	Lessard	Penny	Spear	Willet
Frank	Luther	Peterson, C. C.	Stern	
Hanson	Merriam	Petty	Stokowski	

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Pillsbury	Ulland
Bang	Bertram	Knutson	Ramstad	
Belanger	Brataas	Kronebusch	Renneke	
Benson	Dieterich	Menning	Rued	
Berg	Engler	Peterson, R. W.	Taylor	

So the bill passed and its title was agreed to.

H. F. No. 407: A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frank	Langseth	Moe, R. D.
Bang	Chmielewski	Frederickson	Lantry	Nelson
Belanger	Dahl	Hanson	Lessard	Olhoft
Benson	Davies	Johnson	Lindgren	Pehler
Berg	Davis	Knoll	Luther	Penny
Berglin	Dicklich	Knutson	Menning	Peterson, C. C.
Bernhagen	Dieterich	Kroening	Merriam	Peterson, D. L.
Bertram	Engler	Kronebusch	Moe, D. M.	Peterson, R. W.

Petty	Rued	Spear	Tennessee	Willet
Pillsbury	Schmitz	Stern	Ulland	
Purfeerst	Setzepfandt	Stokowski	Vega	
Ramstad	Sikorski	Stumpf	Waldorf	
Renneke	Solon	Taylor	Wegener	

So the bill passed and its title was agreed to.

S. F. No. 767: A bill for an act relating to counties; providing for publication of certain financial information; proposing new law coded in Minnesota Statutes, Chapter 375; repealing Minnesota Statutes 1980, Section 375.17.

Was read the third time 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 4, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Luther	Pillsbury	Stumpf
Belanger	Engler	Menning	Purfeerst	Taylor
Benson	Frank	Merriam	Ramstad	Tennessee
Berg	Frederickson	Moe, D. M.	Renneke	Ulland
Berglin	Hanson	Moe, R. D.	Rued	Vega
Bernhagen	Johnson	Nelson	Schmitz	Waldorf
Bertram	Knoll	Olhoft	Setzepfandt	Wegener
Brataas	Kroening	Pehler	Sikorski	Willet
Dahl	Kronebusch	Penny	Solon	
Davies	Langseth	Peterson, C. C.	Spear	
Davis	Lantry	Peterson, D. L.	Stern	
Dicklich	Lindgren	Petty	Stokowski	

Messrs. Chmielewski, Knutson, Lessard and Peterson, R. W. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1005: A bill for an act relating to local housing programs; authorizing certain combined multifamily housing and health care facility developments; providing an exemption from the limits on aggregate amount of bonds that may be issued; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1, 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 59 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Lantry	Peterson, C. C.	Solon
Bang	Dicklich	Lessard	Peterson, D. L.	Spear
Belanger	Dieterich	Lindgren	Peterson, R. W.	Stern
Benson	Engler	Luther	Petty	Stokowski
Berg	Frank	Menning	Pillsbury	Stumpf
Berglin	Frederickson	Merriam	Purfeerst	Taylor
Bernhagen	Hanson	Moe, D. M.	Ramstad	Ulland
Bertram	Johnson	Moe, R. D.	Renneke	Vega
Brataas	Knutson	Nelson	Rued	Waldorf
Chmielewski	Kroening	Olhoft	Schmitz	Wegener
Dahl	Kronebusch	Pehler	Setzepfandt	Willet
Davies	Langseth	Penny	Sikorski	

Mr. Tennessee voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 588: A bill for an act relating to financial institutions; providing for maximum interest rates on overdraft checking loans; amending Minnesota Statutes 1980, Section 48.185, 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 17, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Menning	Petty	Stern
Bang	Davies	Moe, R. D.	Pillsbury	Stokowski
Belanger	Davis	Nelson	Purfeerst	Taylor
Benson	Engler	Olhoft	Ramstad	Tennessee
Berg	Frederickson	Pehler	Renneke	Ulland
Bernhagen	Hanson	Penny	Rued	Wegener
Bertram	Knutson	Peterson, C.C.	Schmitz	
Brataas	Kronebusch	Peterson, D.L.	Setzepfandt	
Chmielewski	Lindgren	Peterson, R.W.	Solon	

Those who voted in the negative were:

Berglin	Johnson	Lessard	Spear	Willet
Dicklich	Kroening	Luther	Stumpf	
Dieterich	Langseth	Merriam	Vega	
Frank	Lantry	Sikorski	Waldorf	

So the bill passed and its title was agreed to.

S. F. No. 804: A bill for an act relating to motor vehicles; providing for the re-registration of certain motor vehicles and combinations of vehicles; defining gross vehicle weight; exempting certain vehicles from certain weight limitations; establishing gross weight limitations on certain highways for certain motor vehicles and combinations of vehicles; providing exceptions to certain gross weight limitations; providing for the designation and undesignation of certain routes; providing for the weighing of certain vehicles and combinations of vehicles and the enforcement of weight limitations; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits, and providing exceptions; requiring record keeping for shipments loaded or unloaded, and providing exceptions; imposing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 168.013, Subdivision 3; 169.01, Subdivision 46; 169.03, Subdivision 6; 169.832, Subdivision 11; 169.85; 169.851; 169.86, Subdivision 1a; 169.87, Subdivision 2; 169.871; 169.872; proposing new law coded in Minnesota Statutes, Chapter 169; repealing Minnesota Statutes 1980, Sections 169.83; 169.832, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 12; and 169.834.

Was read the third time 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 15, as follows:

Those who voted in the affirmative were:

Bang	Frank	Luther	Peterson, C.C.	Stern
Belanger	Frederickson	Menning	Peterson, R.W.	Stokowski
Bernhagen	Hanson	Merriam	Petty	Stumpf
Chmielewski	Johnson	Moe, D. M.	Pillsbury	Taylor
Dahl	Kronebusch	Moe, R. D.	Purfeerst	Tennessee
Davies	Langseth	Nelson	Ramstad	Vega
Davis	Lantry	Olhoft	Schmitz	Wegener
Dicklich	Lessard	Pehler	Sikorski	Willet
Engler	Lindgren	Penny	Solon	

Those who voted in the negative were:

Benson	Bertram	Knoll	Peterson, D.L.	Setzepfandt
Berg	Brataas	Knutson	Renneke	Ulland
Berglin	Dieterich	Kroening	Rued	Waldorf

So the bill passed and its title was agreed to.

S. F. No. 461: A bill for an act relating to intoxicating liquor; authorizing off-sale licensees to dispense samples of wine, liqueurs and cordials; amending Minnesota Statutes 1980, Section 340.11, Subdivision 15.

Was read the third time 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 17, as follows:

Those who voted in the affirmative were:

Bang	Frederickson	Lindgren	Pillsbury	Stumpf
Belanger	Hanson	Luther	Purfeerst	Tennessee
Benson	Johnson	Merriam	Ramstad	Ulland
Berglin	Knoll	Moe, D. M.	Rued	Vega
Brataas	Kroening	Moe, R. D.	Schmitz	Waldorf
Dahl	Kronebusch	Nelson	Sikorski	Wegener
Davies	Langseth	Penny	Spear	Willet
Dicklich	Lantry	Peterson, R. W.	Stern	
Dieterich	Lessard	Petty	Stokowski	

Those who voted in the negative were:

Berg	Davis	Menning	Peterson, D.L.	Taylor
Bernhagen	Engler	Olhoft	Renneke	
Bertram	Frank	Pehler	Setzepfandt	
Chmielewski	Knutson	Peterson, C. C.	Solon	

So the bill passed and its title was agreed to.

S. F. No. 975: A bill for an act relating to commerce; eliminating the state override of the federal usury preemption on certain loans; repealing Minnesota Statutes 1980, Section 47.203.

Was read the third time 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 17, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Menning	Petty	Stern
Bang	Davis	Moe, R. D.	Pillsbury	Taylor
Belanger	Engler	Nelson	Purfeerst	Tennessee
Benson	Frederickson	Olhoft	Ramstad	Ulland
Berg	Hanson	Pehler	Renneke	Wegener
Bernhagen	Kronebusch	Penny	Rued	
Bertram	Langseth	Peterson, C. C.	Schmitz	
Brataas	Lessard	Peterson, D. L.	Setzepfandt	
Dahl	Lindgren	Peterson, R. W.	Solon	

Those who voted in the negative were:

Berglin	Johnson	Luther	Spear	Willet
Chmielewski	Knutson	Merriam	Stumpf	
Dicklich	Kroening	Moe, D. M.	Vega	
Frank	Lantry	Sikorski	Waldorf	

So the bill passed and its title was agreed to.

H. F. No. 889: A bill for an act relating to water well contractors; altering the exemption from license requirements for certain registered professional engineers; amending Minnesota Statutes 1980, Section 156A.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 60 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lantry	Peterson, C. C.	Solon
Bang	Dieterich	Lessard	Peterson, D. L.	Spear
Belanger	Engler	Lindgren	Peterson, R. W.	Stern
Benson	Frank	Luther	Peity	Stokowski
Berg	Frederickson	Menning	Pillsbury	Stumpf
Bernhagen	Hanson	Merriam	Purfeerst	Taylor
Bertram	Johnson	Moe, D. M.	Ramstad	Tennessee
Brataas	Knoll	Moe, R. D.	Renneke	Ulland
Chmielewski	Knutson	Nelson	Rued	Vega
Dahl	Kroening	Olhoft	Schmitz	Waldorf
Davies	Kronebusch	Pehler	Setzepfand	Wegener
Davis	Langseth	Penny	Sikorski	Willet

Ms. Berglin voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1179: A bill for an act relating to state government; providing for the appropriation of funds equal to the value of transferred assets when certain assets are transferred among state agencies; directing the state auditor to determine certain adjustments to foundation aid payments; transferring to the commissioner of finance certain duties of the state auditor related to Minnesota aeronautics bonds; providing for the state auditor to approve bonds for officers and employees of regional development commissions; providing for audits of housing and redevelopment authorities under certain conditions; transferring duties of the state auditor to the commissioner of finance related to state taxes on the sale of certain obligations; appropriating money; amending Minnesota Statutes 1980, Sections 16.73; 360.302; 462.389, Subdivisions 2 and 4; and 475.73, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lessard	Peterson, R. W.	Stokowski
Bang	Dieterich	Lindgren	Peity	Stumpf
Belanger	Engler	Luther	Pillsbury	Taylor
Benson	Frank	Menning	Purfeerst	Tennessee
Berg	Frederickson	Merriam	Ramstad	Ulland
Berglin	Hanson	Moe, D.M.	Renneke	Vega
Bernhagen	Johnson	Moe, R. D.	Rued	Waldorf
Bertram	Knoll	Nelson	Schmitz	Wegener
Brataas	Knutson	Olhoft	Setzepfand	Willet
Chmielewski	Kroening	Pehler	Sikorski	
Dahl	Kronebusch	Penny	Solon	
Davies	Langseth	Peterson, C. C.	Spear	
Davis	Lantry	Peterson, D. L.	Stern	

So the bill passed and its title was agreed to.

H. F. No. 659: A bill for an act relating to retirement; St. Paul teachers retirement fund association; removing an expiration date on authority to provide post retirement increases in certain instances; authorizing reduced early retirement in certain instances; amending Laws 1979, Chapter 109, 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lantry	Peterson, D.L.	Spear
Bang	Dieterich	Lindgren	Peterson, R.W.	Stern
Belanger	Engler	Luther	Petty	Stokowski
Benson	Frank	Menning	Pillsbury	Stumpf
Berg	Frederickson	Merriam	Purfeerst	Taylor
Berglin	Hanson	Moe, D. M.	Ramstad	Tennessen
Bernhagen	Johnson	Moe, R. D.	Renneke	Ulland
Bertram	Knoll	Nelson	Rued	Vega
Brataas	Knutson	Olhoft	Schmitz	Waldorf
Chmielewski	Kroening	Pehler	Setzpfandt	Wegener
Dahl	Kronebusch	Penny	Sikorski	Willet
Davis	Langseth	Peterson, C.C.	Solon	

So the bill passed and its title was agreed to.

H. F. No. 582: A bill for an act relating to natural resources; permitting conservation officers to enforce prohibitions of vandalism of shelters and facilities on state and local trails; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

Was read the third time 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	Dicklich	Lessard	Peterson, R.W.	Stokowski
Bang	Dieterich	Lindgren	Petty	Stumpf
Belanger	Engler	Luther	Pillsbury	Taylor
Benson	Frank	Menning	Purfeerst	Tennessen
Berg	Frederickson	Merriam	Ramstad	Ulland
Berglin	Hanson	Moe, D.M.	Renneke	Vega
Bernhagen	Johnson	Moe, R.D.	Rued	Waldorf
Bertram	Knoll	Nelson	Schmitz	Wegener
Brataas	Knutson	Olhoft	Setzpfandt	Willet
Chmielewski	Kroening	Pehler	Sikorski	
Dahl	Kronebusch	Penny	Solon	
Davies	Langseth	Peterson, C.C.	Spear	
Davis	Lantry	Peterson, D.L.	Stern	

So the bill passed and its title was agreed to.

S. F. No. 1264: A bill for an act relating to taxation; correcting the formula for limiting the property tax credit for transmission lines; amending Minnesota Statutes 1980, Section 273.42, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lessard	Peterson, R. W.	Stokowski
Bang	Dieterich	Lindgren	Petty	Stumpf
Belanger	Engler	Luther	Pillsbury	Taylor
Benson	Frank	Menning	Purfeerst	Tennessee
Berg	Frederickson	Merriam	Ramstad	Ulland
Berglin	Hanson	Moe, D. M.	Renneke	Vega
Bernhagen	Johnson	Moe, R. D.	Rued	Waldorf
Bertram	Knoll	Nelson	Schmitz	Wegener
Brataas	Knutson	Olhoft	Setzepfandt	Willet
Chmielewski	Kroening	Pehler	Sikorski	
Dahl	Kronebusch	Penny	Solon	
Davies	Langseth	Peterson, C. C.	Spear	
Davis	Lantry	Peterson, D. L.	Stern	

So the bill passed and its title was agreed to.

H. F. No. 886: A bill for an act relating to mobile homes; regulating lot rentals; specifying conditions on which a lessor may recover possession of land upon which a mobile home is located; amending Minnesota Statutes 1980, Sections 327.44; and 327.553, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 327.

Was read the third time 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:

Ashbach	Davis	Langseth	Penny	Solon
Bang	Dicklich	Lantry	Peterson, C. C.	Spear
Belanger	Dieterich	Lessard	Peterson, R. W.	Stern
Benson	Engler	Lindgren	Petty	Stokowski
Berg	Frank	Luther	Pillsbury	Stumpf
Berglin	Frederickson	Menning	Purfeerst	Taylor
Bernhagen	Hanson	Merriam	Ramstad	Tennessee
Bertram	Johnson	Moe, D. M.	Renneke	Ulland
Brataas	Knoll	Moe, R. D.	Rued	Vega
Chmielewski	Knutson	Nelson	Schmitz	Waldorf
Dahl	Kroening	Olhoft	Setzepfandt	Wegener
Davies	Kronebusch	Pehler	Sikorski	Willet

So the bill passed and its title was agreed to.

H. F. No. 918: A bill for an act relating to cooperatives; procedure for elections by members or shareholders of cooperative electric associations on public utilities commission regulation; amending Minnesota Statutes 1980, Section 216B.02, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 216B.

Was read the third time 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:

Ashbach	Berglin	Dahl	Engler	Johnson
Bang	Bernhagen	Davies	Frank	Knoll
Belanger	Bertram	Davis	Frederick	Knutson
Benson	Brataas	Dicklich	Frederickson	Kroening
Berg	Chmielewski	Dieterich	Hanson	Kronebusch

Langseth	Moe, R.D.	Petty	Sikorski	Ulland
Lantry	Nelson	Pillsbury	Solon	Vega
Lessard	Olhoft	Purfeerst	Spear	Waldorf
Lindgren	Pehler	Ramstad	Stern	Wegener
Luther	Penny	Renneke	Stokowski	Willet
Menning	Peterson, C.C.	Rued	Stumpf	
Merriam	Peterson, D.L.	Schmitz	Taylor	
Moe, D.M.	Peterson, R.W.	Setzepfandt	Tennessee	

So the bill passed and its title was agreed to.

S. F. No. 665: A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

Was read the third time 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:

Ashbach	Dicklich	Lantry	Peterson, D.L.	Stern
Bang	Dieterich	Lessard	Peterson, R.W.	Stokowski
Belanger	Engler	Lindgren	Petty	Stumpf
Benson	Frank	Luther	Pillsbury	Taylor
Berg	Frederick	Menning	Purfeerst	Tennessee
Berglin	Frederickson	Merriam	Ramstad	Ulland
Bernhagen	Hanson	Moe, D. M.	Renneke	Vega
Bertram	Johnson	Moe, R. D.	Rued	Waldorf
Brataas	Knoll	Nelson	Schmitz	Wegener
Chmielewski	Knutson	Olhoft	Setzepfandt	Willet
Dahl	Kroening	Pehler	Sikorski	
Davies	Kronebusch	Penny	Solon	
Davis	Langseth	Peterson, C.C.	Spear	

So the bill passed and its title was agreed to.

RECESS

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

H. F. No. 79: Messrs. Petty, Purfeerst and Ulland.

H. F. No. 326: Messrs. Sikorski, Knutson and Nelson.

H. F. No. 1088: Messrs. Pehler, Lindgren and Dicklich.

H. F. No. 704: Messrs. Pehler, Engler and Menning.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The

motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H. F. No. 1434 be taken from the table. The motion prevailed.

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. 1434 and that the rules of the Senate be so far suspended as to give H. F. No. 1434 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1434: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.295, Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

H. F. No. 1434 was read the second time.

Mr. Menning moved to amend H.F. No. 1434 as follows:

Delete the language after the enacting clause of H. F. No. 1434 and insert the language after the enacting clause of S. F. No. 1392 as introduced; further, delete the title of H. F. No. 1434 and insert the title of S. F. No. 1392 as introduced. The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend H. F. No. 1434, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1392.)

Page 5, line 10, delete "\$5,828,000" and insert "\$3,496,800"

Page 5, line 10, delete "\$6,135,000" and insert "\$3,681,000"

Page 5, after line 10, insert:

"Notwithstanding the provisions of Minnesota Statutes, Section 473.408, Subdivision 3, the metropolitan transit commission shall establish social fares based upon the maximum amount allowed by federal law to be charged. Social fares not provided for by federal law shall be established in the same manner as those which are provided for in federal law."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Peterson, D.L.	Sieloff
Bang	Bernhagen	Frederickson	Pillsbury	Taylor
Belanger	Brataas	Knutson	Renneke	Ulland
Benson	Engler	Kronebusch	Rued	

Those who voted in the negative were:

Berglin	Hanson	Merriam	Petty	Stumpf
Bertram	Johnson	Moe, D.M.	Purfeerst	Tennessee
Chmielewski	Knoll	Moe, R.D.	Ramstad	Vega
Dahl	Kroening	Nelson	Schmitz	Waldorf
Davies	Langseth	Olhoft	Sikorski	Wegener
Davis	Lantry	Pehler	Solon	Willet
Dicklich	Lessard	Penny	Spear	
Dieterich	Luther	Peterson, C.C.	Stern	
Frank	Menning	Peterson, R.W.	Stokowski	

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

Mr. Schmitz moved to amend H. F. No. 1434, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1392.)

Page 39, line 12, after the period, insert "When contracting for services, the commission shall, whenever practicable, give strong consideration to those providers who actively recruit and utilize the resources of private volunteers and citizens."

The motion prevailed. So the amendment was adopted.

H.F. No. 1434 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Solon
Belanger	Dieterich	Langseth	Peterson, C.C.	Spear
Berg	Engler	Lantry	Peterson, D.L.	Stern
Berglin	Frank	Lessard	Peterson, R.W.	Stokowski
Bernhagen	Frederick	Luther	Petty	Stumpf
Bertram	Frederickson	Menning	Pillsbury	Taylor
Brataas	Hanson	Moe, D. M.	Purfeerst	Tennessee
Chmielewski	Johnson	Moe, R. D.	Ramstad	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Knutson	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sikorski	Willet

Those who voted in the negative were:

Bang	Lindgren	Rued	Sieloff	Ulland
Benson	Renneke			

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H. F. No. 1446 be taken from the table. The motion prevailed.

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. 1446 and that the rules of the Senate be so far suspended as to give H. F. No. 1446 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1446: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

H. F. No. 1446 was read the second time.

Mr. Sikorski moved to amend H. F. No. 1446 as follows:

Delete the language after the enacting clause of H. F. No. 1446 and insert the language after the enacting clause of S. F. No. 1391 as introduced; further, delete the title of H. F. No. 1446 and insert the title of S. F. No. 1391 as introduced. The motion prevailed. So the amendment was adopted.

Mr. Ulland moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 18, delete section 17

Page 63, line 32, delete everything before "are" and insert "Sections 59, 60, 61, 63, 68, 70 and 76"

Renumber the sections in sequence

Correct the internal references

Amend the title as follows:

Page 1, line 29, delete "145;"

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

Mr. Renneke moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 46, line 12, after the period, insert "Payment shall be made for 75 percent of the applicable per diem rate for each day on which the eligible

individual is not in the nursing home or facility."

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	Berg	Knutson	Ramistad	Taylor
Bang	Bernhagen	Kronebusch	Renneke	
Belanger	Brataas	Lindgren	Rued	
Benson	Frederick	Pillsbury	Sieloff	

Those who voted in the negative were:

Berglin	Frederickson	Menning	Peterson, R. W.	Stokowski
Bertram	Hanson	Merriam	Petty	Stumpf
Chmielewski	Johnson	Moe, D. M.	Purfeerst	Vega
Dahl	Knoll	Moe, R. D.	Schmitz	Waldorf
Davies	Kroening	Nelson	Setzepfandt	Wegener
Davis	Langseth	Olhoft	Sikorski	Willet
Dicklich	Lantry	Pehler	Solon	
Dieterich	Lessard	Penny	Spear	
Frank	Luther	Peterson, C. C.	Stern	

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

Mr. Lindgren moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 7, line 18, delete "\$1,901,400" and insert "\$2,086,400" and delete "\$1,936,400" and insert "\$2,121,400"

Page 7, after line 22, insert:

"The approved complement of the department of public welfare is increased by three professional positions and one clerical position for the purposes of section 80."

Page 11, line 27, delete "1,280,900" and insert "1,330,900" and delete "1,268,300" and insert "1,318,300"

Page 11, after line 27 insert:

"The approved complement of the department of corrections is increased by one professional position and one-half clerical position for the purposes of section 80."

Page 12, delete section 6

Page 63, after line 27, insert:

"Sec. 80. Minnesota Statutes 1980, Section 254A.03, is amended by adding a subdivision to read:

Subd. 3. The state authority on alcohol and drug abuse is directed to coordinate and support efforts within state departments and agencies and to coordinate and support efforts within other governmental and non-governmental agencies, groups, and organizations to prevent problems related to the use of drugs and alcohol. This function shall be headed by a director who shall be in the unclassified service. The responsibilities of the director shall be to:

(a) Coordinate all activities, planning, and programs of all the various state departments and agencies as they relate to the prevention of chemical use problems;

(b) Provide technical assistance, coordination, and support to governmental and non-governmental agencies, groups, and organizations;

(c) Inform and educate the general public on the prevention of chemical use problems;

(d) Develop and distribute prevention information, training, materials, and resources to state departments and agencies and to other governmental and non-governmental agencies, groups, and organizations; and

(e) Report annually to the governor and the legislature on matters pertaining to this section and to report by December 31, 1984, to the legislature on the need for continuation of this function."

Page 63, line 29, after "Sections" insert "241.41; 241.42; 241.43; 241.44; 241.45;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "corrections ombudsman,"

Page 1, line 16, after "246.54;" insert "254A.03, by adding a subdivision"

Page 1, line 30, after "Sections" insert "241.41; 241.42; 241.43; 241.44; 241.45;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Knutson	Ramstad	Ulland
Bang	Brataas	Kronebusch	Renneke	
Belanger	Engler	Lindgren	Rued	
Benson	Frederick	Peterson, D.L.	Sieloff	
Berg	Frederickson	Pillsbury	Taylor	

Those who voted in the negative were:

Berglin	Frank	Merriam	Peterson, R.W.	Stern
Bertram	Knoll	Moe, D. M.	Petty	Stokowski
Chmielewski	Kroening	Moe, R. D.	Purfeerst	Stumpf
Dahl	Langseth	Nelson	Schmitz	Vega
Davies	Lantry	Olhoff	Setzepfand	Waldorf
Davis	Lessard	Pehler	Sikorski	Wegener
Dicklich	Luther	Penny	Solon	Willet
Dieterich	Menning	Peterson, C.C.	Spear	

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

Mr. Knutson moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 63, after line 27, insert:

"Sec. 80. [257.021] [DUTY OF STEPPARENT TO SUPPORT STEPCHILD.]

Subdivision 1. [IN GENERAL.] Notwithstanding section 257.02, a stepparent shall be legally obligated to support a stepchild living in the same household to the same extent that a natural or adoptive parent is required to support a child. The natural or adoptive parent shall retain the primary support obligation.

Subd. 2. [MARRIAGE TERMINATION.] Termination of marriage between the stepparent and the stepchild's natural or adoptive parent shall terminate the support obligation described in subdivision 1.

Subd. 3. [SUPPORT ENFORCEMENT.] A stepparent may recover support for a stepchild from the natural or adoptive parent under the same conditions as any other obligee.

Subd. 4. [DEFINITIONS.] "Stepparent" means a person ceremonially married to a child's natural or adoptive parent who is not the child's natural or adoptive parent, or a person who is living with a natural or adoptive parent as a common law spouse, whose common law marriage was entered into in a state which recognizes the validity of common law marriages.

"Stepchild" means a child with a stepparent.

Subd. 5. [LIMITATIONS.] This section shall not be construed to affect custody determinations or any parental duty other than the duty to support the stepchild."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 29, after "256D;" insert "257;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Knutson	Ramstad	Taylor
Bang	Frederick	Pillsbury	Renneke	Ulland
Benson	Frederickson			

Those who voted in the negative were:

Belanger	Dicklich	Lessard	Petty	Stumpf
Berg	Dieterich	Luther	Purfeerst	Tennessen
Berglin	Frank	Menning	Rued	Vega
Bernhagen	Hanson	Merriam	Setzepfandt	Wegener
Bertram	Knoll	Moe, R. D.	Sikorski	Willet
Chmielewski	Kroening	Nelson	Solon	
Dahl	Kronebusch	Olhoft	Spear	
Davies	Langseth	Penny	Stern	
Davis	Lantry	Peterson, R. W.	Stokowski	

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

Mr. Rued moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 38, after line 36, insert:

"Sec. 48. Minnesota Statutes 1980, Section 357.021, Section 2, is amended to read:

Subd. 2. The fees to be charged and collected by the clerk of district court shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper on his part is filed in said action, a fee of \$20, *except that in an action for marriage dissolution, a fee of \$40.*

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper on his or their part is filed in said action, a fee of \$15.

The party requesting a trial by jury shall pay \$15.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 106, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding \$5 and \$3.50 for an uncertified copy.

(3) Issuing a subpoena \$1 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$5.

(6) Filing and entering a satisfaction of judgment, partial satisfaction or assignment of judgment, \$5.

(7) Certificate as to existence or non-existence of judgments docketed, \$1 for each name certified to and \$1 for each judgment certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) All other services required by law for which no fee is provided such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Sec. 49. Minnesota Statutes 1980, Section 357.021, is amended by adding a subdivision to read:

Subd. 2a. Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$15 to the state treasurer to be deposited in the general

fund for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section."

Pages 41 to 42, delete section 51

Page 42, delete section 52

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 24, after the final semicolon, insert "357.021, Subdivision 2, and by adding a subdivision;"

Page 1, line 25, delete "517.08,"

Page 1, line 26, delete "Subdivision 1b, and by adding a subdivision;"

Mr. Moe, R. D. requested division of the amendment as follows:

First portion:

Page 38, after line 36, insert:

"Sec. 48. Minnesota Statutes 1980, Section 357.021, Section 2, is amended to read:

Subd. 2. The fees to be charged and collected by the clerk of district court shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper on his part is filed in said action, a fee of \$20, *except that in an action for marriage dissolution, a fee of \$40.*

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper on his or their part is filed in said action, a fee of \$15.

The party requesting a trial by jury shall pay \$15.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 106, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding \$5 and \$3.50 for an uncertified copy.

(3) Issuing a subpoena \$1 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$5:

(5) Issuing a transcript of judgment; or for filing and docketing a transcript of judgment from another court, \$5.

(6) Filing and entering a satisfaction of judgment, partial satisfaction or assignment of judgment, \$5.

(7) Certificate as to existence or non-existence of judgments docketed, \$1 for each name certified to and \$1 for each judgment certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) All other services required by law for which no fee is provided such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Sec. 49. Minnesota Statutes 1980, Section 357.021, is amended by adding a subdivision to read:

Subd. 2a. Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$15 to the state treasurer to be deposited in the general fund for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 24, after the final semicolon, insert "357.021, Subdivision 2, and by adding a subdivision;"

Second portion:

Pages 41 to 42, delete section 51

Page 42, delete section 52

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 25, delete "517.08,"

Page 1, line 26, delete "Subdivision 1b, and by adding a subdivision;"

The question was taken on the first portion of the Rued amendment. The motion prevailed. So the first portion of the amendment was adopted.

Mr. Rued withdrew the second portion of the amendment.

Mr. Benson moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 6, line 12, delete "\$54,835,200" and insert "\$39,835,200" and delete "\$56,004,900" and insert "\$41,004,900"

Page 16, after line 15, insert:

"Sec. 10. GENERAL ASSISTANCE MEDICAL CARE

CONTINGENCY FUND 5,000,000 5,000,000

This appropriation shall be used if the appropriation for general assistance medical care is not sufficient to make the payments for services for which individuals are eligible under the general assistance medical care program."

Page 55, line 32, delete "emergency" in both places

Page 55, lines 33 and 34, delete "emergency"

Page 55, line 35, delete "emergency" and insert "life-threatening"

Page 62, line 20, delete "emergency" in both places

Page 62, line 21, delete "emergency"

Page 62, line 22, delete "emergency" and insert "life-threatening"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Peterson, D.L.	Rued
Bang	Bernhagen	Frederickson	Pillsbury	Sieloff
Belanger	Brataas	Knutson	Ramstad	Taylor
Benson	Engler	Lindgren	Renneke	

Those who voted in the negative were:

Berglin	Hanson	Menning	Peterson, R.W.	Stern
Chmielewski	Johnson	Merriam	Petty	Stokowski
Dahl	Knoll	Moe, D. M.	Purfeerst	Stumpf
Davies	Kroening	Nelson	Schmitz	Tennessee
Davis	Langseth	Olhoft	Setzepfandt	Vega
Dicklich	Lantry	Pehler	Sikorski	Waldorf
Dieterich	Lessard	Penny	Solon	Wegener
Frank	Luther	Peterson, C.C.	Spear	Willert

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

Mrs. Brataas moved to amend H.F. No. 1446, as amended by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1391.)

Page 7, line 37, delete "5485" and insert "5677"

Page 7, line 39, delete "\$13,902,800" and insert "\$14,002,800" and delete "14,641,900" and insert "\$15,141,900"

Page 7, line 41, delete "\$107,015,500" and insert "\$110,015,500" and delete "\$104,875,100" and insert "\$110,375,100"

Page 7, delete lines 46 to 55

Page 8, delete lines 1 to 16

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Frederickson	Peterson, D.L.	Rued
Bang	Brataas	Knutson	Pillsbury	Sieloff
Belanger	Engler	Kronebusch	Ramstad	Taylor
Benson	Frederick	Lindgren	Renneke	Ulland

Those who voted in the negative were:

Berglin	Hanson	Merriam	Petty	Tennessen
Bertram	Johnson	Moe, D. M.	Schmitz	Vega
Chmielewski	Knoll	Moe, R. D.	Setzepfandt	Waldorf
Dahl	Kroening	Nelson	Sikorski	Wegener
Davies	Langseth	Olhoft	Solon	Willet
Davis	Lantry	Pehler	Spear	
Dicklich	Lessard	Penny	Stern	
Dieterich	Luther	Peterson, C.C.	Stokowski	
Frank	Menning	Peterson, R.W.	Stumpf	

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

H.F. No. 1446 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 13, as follows:

Those who voted in the affirmative were:

Ashbach	Frank	Luther	Peterson, R.W.	Stern
Belanger	Frederickson	Menning	Petty	Stokowski
Berglin	Hanson	Merriam	Purfeerst	Stumpf
Bertram	Johnson	Moe, D. M.	Ramstad	Tennessen
Chmielewski	Knoll	Moe, R. D.	Renneke	Ulland
Dahl	Knutson	Nelson	Schmitz	Vega
Davies	Kroening	Olhoft	Setzepfandt	Waldorf
Davis	Langseth	Pehler	Sikorski	Wegener
Dicklich	Lantry	Penny	Solon	Willet
Dieterich	Lessard	Peterson, C.C.	Spear	

Those who voted in the negative were:

Bang	Brataas	Kronebusch	Pillsbury	Taylor
Benson	Engler	Lindgren	Rued	
Bernhagen	Frederick	Peterson, D.L.	Sieloff	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that S. F. No. 1392 be laid on the table. The motion prevailed.

Mr. Willet moved that S. F. No. 1391 be laid on the table. The motion prevailed.

Mr. Dicklich moved that S. F. No. 1346 and H. F. No. 1132 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

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

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted. The motion prevailed.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was re-referred

S. F. No. 150: A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; requiring a property accounting system for AVTI's; providing for an arts in education program; providing for a low-power T.V. education project; modifying criteria for participation in teacher mobility and early retirement programs; providing for the transfer of proceedings from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; appropriating money; amending Minnesota Statutes 1980, Sections 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.0751, Subdivision 5; 120.17, Subdivisions 1a, 3b, 4, 5a, 6, 7 and by adding a subdivision; 120.78; 121.90; 121.902, by adding a subdivision; 121.904, by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2, 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.705; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b and by adding a subdivision; 124.14, Subdivision 2; 124.17, by adding a subdivision; 124.20; 124.212, Subdivisions 1, 7d, 8a, 9a and by adding subdivisions; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding a subdivision; 124.271, Subdivisions 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 6, 9 and by adding a subdivision; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.5621, Subdivisions 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 4 and 5; 124.5624, Subdivisions 3, 4 and 6; 124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3, 8 and by adding subdivisions; 124.573, Subdivisions 2, 3, 3a, 5 and by adding subdivisions; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 8 and 9; 126.262; Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 273.138, Subdivisions 1 and 6; 275.125, Subdivisions 2a, 6b, 6c, 7a, 8, 9, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivision 1; 354A.091, Subdivision 1; 375.335, Subdivision 4 and by adding subdivisions; and Laws 1973, Chapter 683, Section 26, Subdivisions 13 and 17, as amended; proposing new law coded in Minnesota Statutes, Chapters 3; 121; 124; and 275; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 123.40, Subdivision 5; 123.703, Subdivision 3; 123.937; 124.225, Subdivisions 4, 7 and 8; 124.247, Subdivision 5; 124.26, Subdivision 3; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 273.138, Subdivision 3; 275.125, Subdivision 7b; and Laws 1980, Chapter 609, Article IV, Sections

19, 20 and 21.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was re-referred

H. F. No. 70: A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4;

124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Finance. Report adopted.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

H. F. No. 312: A bill for an act relating to agriculture; requiring the commissioner of agriculture to examine fluid milk and milk product marketing and packaging; repealing the prohibition on the sale of milk in non-returnable plastic containers; proposing new law coded in Minnesota Statutes, Chapter 32; repealing Minnesota Statutes 1980, Sections 116F.21 and 116F.22.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Natural Resources, shown in the Journal for April 28, 1981, be amended to read:

“The bill be re-referred to the Committee on Finance.” Report adopted.

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

H. F. No. 353: A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Natural Resources, shown in the Journal for April 28, 1981, be adopted; that committee recommendation being

“The bill be amended and when so amended the bill do pass.”

Amendments adopted. Report adopted.

Mr. Willet from the Committee on Finance, to which was referred

S. F. No. 28: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

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

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

H. F. No. 409: A bill for an act relating to agriculture; requiring department of agriculture approval and receipt of certain grain storage receipts; regulating the family farm security program; changing terms of members of the family farm advisory council; regulating denaturing of certain food; identifying fur pelts; amending Minnesota Statutes 1980, Sections 17.35, Subdivision 7; 31.095; 41.52, Subdivisions 5, 8 and 9; 41.54, Subdivision 2; 41.56, Subdivisions 1, 2 and 4; 41.58, Subdivision 2; 232.06, Subdivision 1; 233.03; 234.02; 236.03; and 290.08, Subdivision 24; repealing Minnesota Statutes 1980, Section 29.091.

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

Page 1, after line 21, insert:

"Sec. 2. Minnesota Statutes 1980, 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 disease control program for the partial funding of municipal sanitation and reforestation programs. The commissioner may make grants-in-aid to any home rule charter or statutory city, or 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 utilization or disposal system.

(b) The commissioner shall promulgate rules, including temporary 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 systems made by the commissioner pursuant to this subdivision shall not exceed 50 percent of the total cost of the system. Grants for sanitation and reforestation shall be combined into one grant program. Grants to any municipality for sanitation shall not exceed 50 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 50 percent of the cost, but not more than \$50 per tree, of trees planted pursuant to the reforestation program; provided that a reforestation grant to any county may include 90 percent of the cost, but not more than \$60 per tree, 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 and home rule charter or statutory cities as described in subdivision 1 of less than 4,000 population with an approved disease control program may include 90 percent of the cost, but not more than \$60 per tree, of the first 50 trees planted on public property with the approval of the 1979 application. The governing body of any municipality which receives a reforestation grant pursuant to this section shall appoint up to seven residents of the municipality or designate an existing municipal board or committee to serve as a reforestation advisory committee to advise the governing body of the municipality in the administration of the reforestation program. 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~~ most recent federal 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, 1979. 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.

(e) A home rule charter or statutory city, or county outside the metropolitan area or any municipality, as defined in subdivision 1, may submit an application for a grant authorized by this subdivision concurrently with its request for approval of a disease control program."

Page 1, line 29, delete "*Minnesota Statutes*" and insert "*section 31.05*"

Page 2, line 18, delete "*family farm*"

Page 2, line 21, delete "*persons*" and insert "*person*"

Page 2, line 22, delete the new language

Page 2, line 23, after "*rates*" insert "*, or by a contract for deed*"

Page 2, after line 31, insert:

"Sec. 7. Minnesota Statutes 1980, Section 41.52, is amended by adding a subdivision to read:

Subd. 11. "Cooperating agency" means any individual, financial institution, state or federal agency, or any other legal entity which executes a memorandum of understanding with the family farm security program.

Sec. 8. Minnesota Statutes 1980, Section 41.52, is amended by adding a subdivision to read:

Subd. 12. "Memorandum of understanding" means an agreement outlining conditions under which a cooperating agency will provide farm real estate loan funds not to be included under a family farm loan guarantee to applicants."

Page 4, after line 10, insert:

"Sec. 12. Minnesota Statutes 1980, Section 41.56, Subdivision 3, is amended to read:

Subd. 3. [DEFAULT, FILING CLAIM.] Within 90 days of a default on a guaranteed family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for 180 days, and the consequences of that default. The lender and the applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.

After 180 days from the initial default, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the family farm security loan guarantee. In the case of a seller-sponsored loan, the seller may elect to pay the commissioner

all sums owed the commissioner by the applicant and retain title to the property in lieu of payment by the commissioner under the terms of the loan guarantee. If the commissioner determines that the terms of the family farm security loan guarantee have been met, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota shall then ~~become the holder of the mortgage and succeed to the interest of the mortgagee or the vendor of the contract for deed.~~ Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. The commissioner may, on behalf of the state, commence foreclosure or termination proceedings in the manner provided by law."

Page 5, line 17, after the period, insert "*Proceeds in excess of these amounts shall be paid to cooperating agencies according to the terms of the family farm security memorandum of understanding.*"

Page 7, line 3, strike "the" and insert "warehouse"

Page 7, line 3, strike "of his" and delete "or her" and strike "warehouse"

Pages 8 and 9, delete section 13 and insert:

"Sec. 17. Minnesota Statutes 1980, Section 234.27, is amended to read:

234.27 [UNIFORM COMMERCIAL CODE TO APPLY.]

All the provisions of article 7 of the uniform commercial code, relative to the negotiation, transfer, sale, or endorsement of warehouse receipts, shall, so far as possible, apply to the negotiation, transfer, sale, or endorsement of the certificates provided for herein.

For the purpose of application of the uniform commercial code:

(a) *A certificate authorized by the department which evidences the storing of grain under the provisions of chapter 234 is a document of title as defined in section 336.1-201, clause (15); and*

(b) *A person who has title to and possession of any grain stored under the provisions of chapter 234 is a warehouseman as defined in section 336.7-102, clause (1)(h)."*

Page 9, after line 29, insert:

"Sec. 19. Minnesota Statutes 1980, Section 275.50, Subdivision 6, is amended 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 ~~1980~~ 1982, payable in ~~1981~~ 1983.

Sec. 20. Minnesota Statutes 1980, 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 through December 31, 1979.

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, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of this chapter at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The provisions of section 4 of P.L. 95-458, and sections 131, 133, 134, 141, 152, 156, 157, and 405 of P.L. 95-600 (relating to pensions, individual retirement accounts, deferred compensation plans, and to the sale of a residence) shall be effective at the same time that these provisions became effective for federal income tax purposes.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

For taxable years beginning after December 31, 1980 and before January 1, 1983, the provisions of section 404 (relating to partial exclusions of dividends and interest received by individuals) of the Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223, shall apply.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) 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 the reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for the previous taxable year.

The 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;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) 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 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (7) or under section 290.09, subdivision 24;

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the

Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(16) An amount equal to one-sixth of any gain from the sale or other disposition of property deducted under sections 1202(a) and 1202(c)(1) of the Internal Revenue Code of 1954;

(17) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 50 percent of the portion of the gain. This modification is limited to property that qualified for the energy credit contained in section 290.06, subdivision 14, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (9);

(18) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss; and

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under clause (c) of section 290.09, subdivision 30.

(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 50 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of the securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any

capital loss or net operating loss carryforwards or carrybacks resulting from the losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) 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 but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(10) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1982 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(11) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or

the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(12) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(13) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(15) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(16) To the extent included in federal adjusted gross income, severance pay that may be treated as a lump sum distribution under the provisions of section 290.032, subdivision 5;

(17) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17; and

(18) Minnesota exempt-interest dividends as provided by subdivision 27.

(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 the corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of 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 the corporation is liquidated or the individual shareholder disposes of the 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, the 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 the reserve is distributed to shareholders the 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 the amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that the amounts resulted in a reduction of the tax imposed by this 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, clause (2) in computing Minnesota inheritance or estate 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 the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner."

Page 10, line 4, delete "Section" and insert "Sections" and after "29.091," insert "and 234.02, are" and delete "is"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "pelts;" insert "updating references in the shade tree control law;"

Page 1, line 8, after "7;" insert "18.023, Subdivision 3a;"

Page 1, line 9, after "9" insert ", and by adding subdivisions"

Page 1, line 10, before "and" insert ", 3"

Page 1, line 11, delete "234.02" and insert "234.27"

Page 1, line 11, after "236.03;" insert "275.50, Subdivision 6; 290.01, Subdivision 20;"

Page 1, line 13, delete "Section" and insert "Sections" and before the period, insert "and 234.02"

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

SECOND READING OF SENATE BILLS

S. F. No. 28 was read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 353 and 409 were read the second time.

Without objection, the Senate proceeded 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.

Mr. Menning introduced—

S.F. No. 1395: A bill for an act relating to transportation; creating the Minnesota state highway improvement fund; appropriating money from the fund for improvements to the state trunk highway system; authorizing the issuance of state bonds for the fund pursuant to article XI of the constitution; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 174.

Referred to the Committee on Transportation.

Messrs. Pehler, Merriam, Davis, Sikorski and Frank introduced—

S.F. No. 1396: A bill for an act relating to retirement; computation of benefits for correctional officers receiving social security payments; repealing Minnesota Statutes 1980, Section 352.93, Subdivision 3.

Referred to the Committee on Public Employees and Pensions.

Mr. Renneke introduced—

S.F. No. 1397: A bill for an act relating to probate; allowing claims based on certain medical assistance to be made against the homestead; amending Minnesota Statutes 1980, Sections 510.05; and 525.16.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst, Lessard, Belanger, Frederick and Chmielewski introduced—

S.F. No. 1398: A bill for an act relating to motor vehicles; providing for special license plates for certain motor vehicles owned and operated by mem-

bers of certain fire departments; amending Minnesota Statutes 1980, Section 168.12, by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Langseth; Frederickson; Peterson, C.C. and Penny introduced—

S.F. No. 1399: A bill for an act relating to agriculture; regulating commerce in seed; establishing fees; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 21.47; 21.48; 21.49; 21.50; 21.51; 21.52; 21.53; 21.54, Subdivision 3; 21.55; 21.58; and proposing new law coded in Minnesota Statutes, Chapter 21.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Sieloff and Lessard introduced—

S.F. No. 1400: A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03.

Referred to the Committee on Judiciary.

Mr. Dahl introduced—

S.F. No. 1401: A bill for an act relating to the city of White Bear Lake; authorizing the city to have certain powers of a statutory city.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Davies introduced—

S.F. No. 1402: A bill for an act relating to private detectives and protective agents; requiring private detectives, protective agents and their employees to present identification cards upon request; amending Minnesota Statutes 1980, Section 326.336, Subdivision 2.

Referred to the Committee on Judiciary.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Monday, May 4, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-SIXTH DAY

St. Paul, Minnesota, Monday, May 4, 1981

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

Prayer was offered by the Chaplain, Rev. Arnold H. Heumann.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessen
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willert
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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. Moe, D. M. was excused from the Session of today from 10:00 a.m. until 12:00 noon.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 30, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	332	59	April 30	April 30
	435	60	April 30	April 30

Sincerely,

Joan Anderson Growe
Secretary of State

April 30, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 1044, 330, 196, 333, 463, 849, 462, 305, 339, 219 and 611.

Sincerely,

Albert H. Quie, Governor

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. 168, 562 and 1259.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1981

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. 77: A bill for an act relating to foreign corporations; removing certain deficiencies and ambiguities; defining certain activities that do not constitute transacting business in the state; and removing limitations on engaging in the business of making real estate loans; amending Minnesota Statutes 1980, Sections 303.02, Subdivision 3; 303.03; 303.04; and 303.25.

Senate File No. 77 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1981

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 77 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 77 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:

Ashbach	Dicklich	Kronebusch	Peterson, D.L.	Stern
Bang	Dieterich	Lantry	Peterson, R.W.	Stokowski
Belanger	Engler	Lessard	Petty	Stumpf
Benson	Frank	Lindgren	Pillsbury	Taylor
Berg	Frederick	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Rued	Vega
Brataas	Humphrey	Moe, R.D.	Schmitz	Waldorf
Chmielewski	Keefe	Nelson	Setzepfandt	Wegener
Dahl	Knoll	Olhoft	Sikorski	Willet
Davies	Knutson	Pehler	Solon	
Davis	Kroening	Peterson, C.C.	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. 18: A bill for an act relating to probate; eliminating requirement of notice to representatives of foreign countries in certain formal testacy proceedings; amending Minnesota Statutes 1980, Section 524.3-403.

Senate File No. 18 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1981

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 18 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 18 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 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, R.W.	Stokowski
Bang	Dieterich	Lantry	Petty	Stumpf
Belanger	Engler	Lessard	Pillsbury	Taylor
Benson	Frank	Lindgren	Purfeerst	Tennessee
Berg	Frederick	Luther	Ramstad	Ulland
Berglin	Hanson	Menning	Renneke	Vega
Bernhagen	Hughes	Merriam	Rued	Waldorf
Bertram	Humphrey	Moe, R.D.	Schmitz	Wegener
Brataas	Johnson	Nelson	Setzepfandt	Willet
Chmielewski	Keefe	Olhoft	Sikorski	
Dahl	Knutson	Penny	Solon	
Davies	Kroening	Peterson, C.C.	Spear	
Davis	Kronebusch	Peterson, D.L.	Stern	

Messrs. Knoll and Pehler voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 98:

H. F. No. 98: A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.

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

Greenfield; Nelson, K. and Heinitz have been appointed as such committee on the part of the House.

House File No. 98 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 1, 1981

Mr. Humphrey moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 98, 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. 625: A bill for an act relating to landlords and tenants; permitting certain tenant remedies actions and certain actions in unlawful detainer to be done by nonattorneys; extending the time between service of the summons in unlawful detainer proceedings and the return day; providing for a stay of the writ of restitution in unlawful detainer proceedings in cases of hardship; changing obsolete terms in certain landlord and tenant statutes; amending Minnesota Statutes 1980, Sections 481.02, Subdivision 3; 566.05; 566.06; and 566.09.

Senate File No. 625 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1981

CONCURRENCE AND REPASSAGE

Mr. Hanson 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: A bill for an act relating to landlords and tenants; permitting certain tenant remedies actions and certain actions in unlawful detainer to be done by nonattorneys; permitting termination of a residential lease upon the death of the tenant; extending the time between service of the summons in unlawful detainer proceedings and the return day; providing for a stay of the writ of restitution in unlawful detainer proceedings in cases of hardship; changing obsolete terms in certain landlord and tenant statutes; amending Minnesota Statutes 1980, Sections 481.02, Subdivision 3; 566.05; 566.06; and 566.09; proposing new law coded in Minnesota Statutes, Chapter 504.

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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	Solon
Bang	Dieterich	Kronebusch	Peterson, C.C.	Spear
Belanger	Engler	Langseth	Peterson, D.L.	Stern
Benson	Frank	Lantry	Peterson, R.W.	Stokowski
Berg	Frederick	Lessard	Petty	Stumpf
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hanson	Luther	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, R.D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knoll	Olhoft	Setzepfandt	Willet
Davis	Knutson	Pehler	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 House Files, herewith transmitted: H. F. Nos. 253, 560, 583, 1125, 619, 636, 774, 715, 1044, 1065 and 1092.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 1, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 253: A bill for an act relating to state lands and tax-forfeited land sales; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1980, Sections 92.06, Subdivision 1; 94.11; 282.01, Subdivision 4; 282.15; 282.222, Subdivision 4; 282.261; and 282.35, Subdivisions 2 and 3.

Referred to the Committee on Judiciary.

H. F. No. 560: A bill for an act relating to courts; costs and disbursements;

authorizing the awarding of attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1980, Section 549.21.

Referred to the Committee on Judiciary.

H. F. No. 583: A bill for an act relating to public use of private land; clarifying and altering landowners' liability in the recreational use of their land; amending Minnesota Statutes 1980, Sections 87.021, Subdivisions 2, 3, 4 and 5; 87.0221; 87.023; 87.025; and 87.03; repealing Minnesota Statutes 1980, Section 87.022.

Referred to the Committee on Judiciary.

H. F. No. 1125: A bill for an act relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; amending Minnesota Statutes 1980, Sections 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; repealing Minnesota Statutes 1980, Section 362.50, Subdivisions 6 and 7.

Referred to the Committee on Finance.

H. F. No. 619: A bill for an act relating to intoxicating liquor; correcting the wording of the ballot question for a municipal liquor store referendum; amending Minnesota Statutes 1980, Section 340.353, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 602, now on General Orders.

H. F. No. 636: A bill for an act relating to unemployment compensation; requiring holiday pay not to be deducted from benefits; amending Minnesota Statutes 1980, Section 268.07, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 764, now on General Orders.

H. F. No. 774: A bill for an act relating to children; providing for confidentiality of records of reports of neglect, and abuse of children; allowing for sharing of records under certain circumstances; amending Minnesota Statutes 1980, Sections 254A.09; and 626.556, Subdivision 11.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1292, now on General Orders.

H. F. No. 715: A bill for an act relating to the state building code; authorizing certain municipalities under 7,500 to elect that the code not apply within their jurisdictions; proposing new law coded in Minnesota Statutes, Chapter 16.

Referred to the Committee on Energy and Housing.

H. F. No. 1044: A bill for an act relating to attachment; prescribing the grounds when a writ of attachment may be issued for purposes of securing property or acquiring quasi in rem jurisdiction over defendants; amending Minnesota Statutes 1980, Section 570.02.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 613, now on General Orders.

H. F. No. 1065: A bill for an act relating to public utilities; extending an

option as to rate regulation by the public utilities commission to certain small telephone companies; amending Minnesota Statutes 1980, Sections 237.01; 237.075, Subdivision 9; and 237.081, Subdivision 1a.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1160, now on General Orders.

H. F. No. 1092: A bill for an act relating to charitable organizations; providing for registration and reporting requirements applicable to certain charitable organizations; amending Minnesota Statutes 1980, Sections 309.52, by adding subdivisions; 309.53, by adding subdivisions; 309.532, by adding a subdivision; and 309.534, by adding a subdivision.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Willet from the Committee on Finance, to which was referred

S. F. No. 855: A bill for an act relating to claims against the state; appropriating money for the payment thereof.

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

Page 3, after line 7, insert:

"Mrs. Elphie Gilbert (Ben), Route #3, Box #77, Sebeka, Minnesota 56477.....\$600.00"

Page 3, after line 21, insert:

"Mrs. Laurie Horihan (Ben), % Robert Bergsrud, 134 Minnesota Street, Minnesota City, Minnesota 55959.....\$195.00"

Page 4, after line 5, insert:

"Alan K. Obst, 2630 - 9th Lane, #113, Anoka, Minnesota 55303.....\$300.00"

Page 4, after line 21, insert:

"Robert J. Stone, 2738 Dawn Drive, Great Falls, Montana 59404.....\$600.00"

Page 4, after line 33, insert:

"Sec. 2. [CLAIMS; APPROPRIATIONS; GENERAL FUND.]

Subdivision 1. The sums set forth in this section are appropriated from the general fund to the persons named in this section in full and final payment of claims against the state.

Subd. 2. Robert Lee Bock, Route 2, Box 226, Brainerd, Minnesota 56401, for medical expenses incurred due to injuries sustained while doing assigned social restitution. . . . \$14.50.

Subd. 3. Norbert J. Gestach, Rural Route #1, Chaska, Minnesota 55318, for damage done to his property by a Jeffrey Hess, a ward of the department of public welfare. . . \$250.00.

Subd. 4. Loretta Lidster, 344-16th Avenue North, Hopkins, Minnesota 55343, for medical expenses incurred due to injuries sustained by her son Kerry while he was doing assigned social restitution. \$103.00.

Subd. 5. Roger D. Lundgren, 1616 E. 58th Street, Minneapolis, Minnesota 55417, for medical expenses incurred due to injuries sustained by his son Richard while he was doing assigned social restitution. \$128.00.

Subd. 6. Geraldine Simmons, MCF-Shakopee, Box 7, Shakopee, Minnesota 55379, for loss of personal property when a fire occurred in the cottage in which it was stored. This property was in the custody and under the control of the state at the time of its damage or destruction. \$175.00.

Subd. 7. Howard Tate, No. 40816, Box 900, Jefferson City, Missouri 65102, for compensation for injury incurred in the R-shop while in MCF-Stillwater. \$2,513.00.

Subd. 8. Harold White, 819 Buffalo Street, St. Paul, Minnesota 55117, for compensation for injury incurred in the Cordage Industry while in MCF-Stillwater. \$1,325.00.

Subd. 9. Eileen Wills, MCF-Shakopee, Box 7, Shakopee, Minnesota 55379, for loss of personal property when a fire occurred in the cottage in which it was stored. This property was in the custody and under the control of the state at the time of its damage or destruction. \$280.00.

Sec. 3. [TRUNK HIGHWAY FUND CLAIMS.]

Subdivision 1. The sums set forth in this section are appropriated from the trunk highway fund to the commissioner of transportation for payment to the persons named in full and final payment of claims against the state.

Subd. 2. Church of St. Clotilde, Rural Route 3, Marshall, Minnesota 56258, for damages incurred when during construction of a by-pass around the Village of Green Valley an open drainage ditch was relocated and the tile line from the church was not re-connected, causing flooding in the basement from 1974 to 1979. \$4,519.00."

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 1040: A bill for an act relating to the environment; clarifying terms and duties in the waste management act; extending time limits for site selections and reports; clarifying and changing waste management powers of metropolitan counties; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivision 4, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c and 2e, and by adding a subdivision; 473.153, Subdivi-

sions 1, 2 and 6; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, and 8, and by adding subdivisions; 473.831, Subdivision 1; 473.833, Subdivision 2; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 5.

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

Page 4, after line 14, insert:

"Sec. 5. Minnesota Statutes 1980, Section 115A.06, Subdivision 5, is amended to read:

Subd. 5. [RIGHT OF ACCESS.] Whenever the board or the chairperson acting on behalf of the board deems it necessary to the accomplishment of its purposes, the board or any member, employee, or agent thereof, when authorized by it or the chairperson, may enter upon any property, public or private, for the purpose of obtaining information or conducting surveys or investigations, provided that the entrance and activity is undertaken after reasonable notice and during normal business hours and provided that compensation is made for any damages to the property caused by the entrance and activity. *The board may pay a reasonable estimate of the damages it believes will be caused by the entrance and activity before entering any property.*"

Page 15, line 2, before "By" insert:

"*Subdivision 1. [CERTIFICATE.] Except as provided in subdivision 2,*"

Page 15, after line 35, insert:

"*Subd. 2. [CONDITION.] No certificate or certificates of need for disposal facilities for hazardous waste shall be issued by the board pursuant to subdivision 1 unless legislation is enacted to:*

(a) *Define the liability of owners and operators of disposal facilities and generators and other persons responsible for the disposal of hazardous waste;*

(b) *Provide the appropriate units of state or local government with the capability to clean up disposal sites or take other action to mitigate an imminent or substantial danger to public health or welfare or the environment from the disposal of hazardous waste; and*

(c) *Provide for the payment of the state's share of costs incurred pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96-510, as amended, as required by that act as a match to federal moneys.*"

Page 38, delete section 46

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "Subdivision 4," and insert "Subdivisions 4 and 5,"

Page 1, lines 21 and 22, delete "473.833, Subdivision 2;"

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

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

re-referred

S. F. No. 150: A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; requiring a property accounting system for AVTI's; providing for an arts in education program; providing for a low-power T.V. education project; modifying criteria for participation in teacher mobility and early retirement programs; providing for the transfer of proceedings from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; appropriating money; amending Minnesota Statutes 1980, Sections 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.0751, Subdivision 5; 120.17, Subdivisions 1a, 3b, 4, 5a, 6, 7 and by adding a subdivision; 120.78; 121.90; 121.902, by adding a subdivision; 121.904, by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2, 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.705; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b and by adding a subdivision; 124.14, Subdivision 2; 124.17, by adding a subdivision; 124.20; 124.212, Subdivisions 1, 7d, 8a, 9a and by adding subdivisions; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding a subdivision; 124.271, Subdivisions 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 6, 9 and by adding a subdivision; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.5621, Subdivisions 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 4 and 5; 124.5624, Subdivisions 3, 4 and 6; 124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3, 8 and by adding subdivisions; 124.573, Subdivisions 2, 3, 3a, 5 and by adding subdivisions; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 8 and 9; 126.262, Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 273.138, Subdivisions 1 and 6; 275.125, Subdivisions 2a, 6b, 6c, 7a, 8, 9, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivision 1; 354A.091, Subdivision 1; 375.335, Subdivision 4 and by adding subdivisions; and Laws 1973, Chapter 683, Section 26, Subdivisions 13 and 17, as amended; proposing new law coded in Minnesota Statutes, Chapters 3; 121; 124; and 275; repealing Minnesota Statutes 1980, Sections 3.9279; Subdivision 13; 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 123.40, Subdivision 5; 123.703, Subdivision 3; 123.937; 124.225, Subdivisions 4, 7 and 8; 124.247, Subdivision 5; 124.26, Subdivision 3; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 273.138, Subdivision 3; 275.125, Subdivision 7b; and Laws 1980, Chapter 609, Article IV, Sections 19, 20 and 21.

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

follows:

Page 3, line 11, after “.021.” insert “*For 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year, the basic maintenance mill rate shall be .021.*”

Page 8, line 18, after “in the” insert “*district are reduced pursuant to section 273.138, subdivision 6.*”

Page 11, line 30, delete “*every district having pupils enrolled*” and insert “*Independent School Districts No. 700, No. 704, and No. 709*”

Page 11, delete line 31

Page 11, line 32, delete “*capacity at the Duluth air base*”

Page 11, line 36, delete “*the district*” and insert “*Independent School Districts No. 700, No. 704, and No. 709*”

Page 18, line 2, after “*the*” insert “*replacement aid portion of*”

Page 105, after line 23, insert:

“*The programs shall also be for students in area vocational-technical institutes.*”

Page 137, delete section 28 and insert:

“*Sec. 28. Laws 1973, Chapter 683, Section 26, is amended by adding a subdivision to read:*

Subd. 2a. [SCHOOL ADMINISTRATION; TRANSFER OF AUTHORITY.] The care, management, and control of the experimental school in Independent School District No. 309 is transferred from the Indian education committee in subdivision 2, to the White Earth reservation business committee. The Indian education committee shall serve in an advisory capacity to the White Earth reservation business committee. For purposes of this section, “committee” means the White Earth reservation business committee. The White Earth reservation business committee is eligible to receive federal aid to Indians pursuant to section 124.64.

Sec. 29. Laws 1973, Chapter 683, Section 26, is amended by adding a subdivision to read:

Subd. 13a. Any pupil residing within the defined boundaries of the experimental school as set out in subdivision 1 shall be considered a resident pupil for purposes of section 120.”

Page 138, line 4, delete “*and*”

Page 138, line 4, after “5” delete the comma and insert “; *and Laws 1973, Chapter 683, Section 26, Subdivision 13*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete “*proceedings*” and insert “*proceeds*”

Page 2, line 12, before the semicolon, insert “*, and by adding subdivisions*”

Page 2, line 24, after the semicolon, insert “*Laws 1973, Chapter 683,*

Section 26, Subdivision 13;''

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 855 and 1040 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Davis moved that the name of Mrs. Kronebusch be stricken as co-author to S. F. No. 1212. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

S. F. No. 876: A bill for an act relating to state government; improving the state's personnel management and labor relations functions; proposing new law coded as Minnesota Statutes, Chapter 43A; proposing new law coded in Minnesota Statutes, Chapter 210A; repealing Minnesota Statutes 1980, Chapter 43.

Was read the third time 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:

Ashbach	Dicklich	Kroening	Penny	Sikorski
Bang	Dieterich	Kronebusch	Peterson, C.C.	Spear
Belanger	Engler	Langseth	Peterson, D.L.	Stern
Benson	Frank	Lantry	Peterson, R.W.	Stokowski
Berg	Frederick	Lessard	Petty	Stumpf
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bermhagen	Hanson	Luther	Purfeerst	Tennessen
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knoll	Olhoft	Setzepfandt	Willet
Davis	Knutson	Pehler	Sieloff	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Vega in the chair.

After some time spent therein, the committee arose, and Mr. Petty reported that the committee had considered the following:

H. F. Nos. 1218 and 357, which the committee recommends to pass.

S. F. No. 376, which the committee recommends to pass with the following amendment offered by Mr. Johnson:

Page 5, line 11, reinstate the stricken language

Page 5, lines 12 and 13, delete the new language

Page 5, line 29, reinstate the stricken language

Page 5, after line 33, insert:

“(2) If the business is a major oil company, the remainder shall be apportioned to Minnesota on the basis of the sum of the percentages set forth in clause (1)(d); the arithmetical average shall not be used by a major oil company.”

Page 5, line 34, strike “(2)” and insert “(3)”

Page 5, line 36, reinstate the stricken language and delete the new language

Page 6, line 1, delete the new language

Page 6, line 19, reinstate the stricken language

Page 6, line 33, delete “(a)”

Page 6, line 36, strike “(3)” and insert “(4)”

Amend the title as follows:

Page 1, line 6, delete “all”

Page 1, line 7, delete “businesses” and insert “major oil companies”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 34 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frank	Lindgren	Renneke
Bang	Chmielewski	Frederick	Moe, R. D.	Setzepfandt
Belanger	Davies	Johnson	Pehler	Sieloff
Benson	Davis	Keefe	Penny	Sikorski
Berglin	Dicklich	Knoll	Peterson, D.L.	Spear
Bernhagen	Dieterich	Knutson	Pillsbury	Ulland
Bertram	Engler	Lessard	Ramstad	

Those who voted in the negative were:

Berg	Kronebusch	Nelson	Schmitz	Tennessee
Dahl	Langseth	Olhoft	Solon	Vega
Frederickson	Lantry	Peterson, C.C.	Stern	Waldorf
Hanson	Luther	Peterson, R.W.	Stokowski	Wegener
Humphrey	Menning	Petty	Stumpf	
Kroening	Merriam	Rued	Taylor	

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 376.

The roll was called, and there were yeas 32 and nays 28, as follows:

Those who voted in the affirmative were:

Berglin	Dieterich	Langseth	Olhoff	Stumpf
Bertram	Frank	Lantry	Pehler	Vega
Chmielewski	Hanson	Lessard	Penny	Waldorf
Dahl	Humphrey	Luther	Sikorski	Willet
Davies	Johnson	Menning	Spear	
Davis	Knoll	Moe, R. D.	Stern	
Dicklich	Kroening	Nelson	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Kronebusch	Petty	Setzepfandt
Bang	Engler	Lindgren	Pillsbury	Sieloff
Belanger	Frederick	Merriam	Ramstad	Taylor
Benson	Frederickson	Peterson, C.C.	Renneke	Ulland
Berg	Keefe	Peterson, D.L.	Rued	
Bernhagen	Knutson	Peterson, R.W.	Schmitz	

The motion prevailed. So S. F. No. 376 was recommended to pass.

H. F. No. 912, which the committee recommends to pass, after the following motions:

Mr. Frederick moved to amend H. F. No. 912, as amended pursuant to Rule 49, adopted by the Senate April 20, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 919.)

Page 60, delete section 50

Page 61, line 14, delete everything after "52."

Page 61, line 15, delete everything before "Section"

Page 61, line 15, delete "51" and insert "50"

Page 61, line 19, delete "53" and insert "52"

Page 61, line 23, delete "55" and insert "54"

Renumber the sections in sequence

Renumber the sections in the memorandum of explanation, and correct any cross references

Amend the title as follows:

Page 2, line 32, delete "Chapters 528 and 556" and insert "Chapter 528"

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:

Ashbach	Bernhagen	Keefe	Ramstad	Ulland
Bang	Brataas	Knutson	Renneke	
Belanger	Engler	Kronebusch	Rued	
Benson	Frederick	Peterson, D.L.	Sieloff	
Berg	Frederickson	Pillsbury	Taylor	

Those who voted in the negative were:

Bertram	Hughes	Menning	Purfeerst	Stokowski
Chmielewski	Johnson	Merriam	Schmitz	Stumpf
Dahl	Knoll	Moe, R. D.	Setzepfandt	Tennessee
Davis	Langseth	Nelson	Sikorski	Vega
Dieterich	Lantry	Pehler	Solon	Waldorf
Frank	Lessard	Peterson, R.W.	Spear	Willet
Hanson	Luther	Petty	Stern	

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

The question was taken on the recommendation to pass H. F. No. 912.

The roll was called, and there were yeas 41 and nays 21, as follows:

Those who voted in the affirmative were:

Berglin	Humphrey	Menning	Peterson, R. W.	Stumpf
Bertram	Johnson	Merriam	Petty	Tennessee
Chmielewski	Knoll	Moe, D. M.	Purfeerst	Vega
Dahl	Kroening	Moe, R. D.	Schmitz	Waldorf
Davies	Langseth	Nelson	Setzepfandt	Willet
Dicklich	Lantry	Pehler	Sikorski	
Dieterich	Lessard	Penny	Solon	
Frank	Lindgren	Peterson, C. C.	Spear	
Hanson	Luther	Peterson, D. L.	Stokowski	

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Ramstad	Ulland
Bang	Brataas	Keefe	Renneke	
Belanger	Davis	Knutson	Rued	
Benson	Engler	Kronebusch	Sieloff	
Berg	Frederick	Pillsbury	Taylor	

The motion prevailed. So H. F. No. 912 was recommended to pass.

S. F. No. 724, which the committee recommends to pass with the following amendments offered by Messrs. Peterson, C. C.; Merriam and Berg:

Mr. Peterson, C. C. moved to amend S. F. No. 724 as follows:

Page 8, line 19, delete "and"

Page 8, line 20, after "(b)" insert "Except as provided in clause (c)."

Page 8, line 25, before the period, insert "; and"

(c) A home rule charter or statutory city may adopt regulations concerning trapping on public lands within the city which differ from or are in addition to the model ordinance without prior approval by the commissioner. The regulations may not restrict or prohibit special trapping permits issued by the commissioner"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S. F. No. 724 as follows:

Pages 7 and 8, delete section 10

Page 8, line 30, delete ", 9 and 10" and insert "and 9"

Page 8, line 31, delete "11" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "providing"

Page 1, delete lines 5 and 6

Page 1, line 7, delete "ordinance;"

Page 1, delete line 12

Page 1, line 13, delete "100;"

The motion prevailed. So the amendment was adopted.

Mr. Peterson, C.C. moved to amend S. F. No. 724 as follows:

Page 5, after line 13, insert:

“Sec. 8. Minnesota Statutes 1980, Section 100.27, Subdivision 6, is amended to read:

Subd. 6. All migratory game birds, ~~excepting Zenaidura macroura~~, may be taken and possessed whenever and so long as the taking or possession is not prohibited by federal laws or regulations, subject, however, to all requirements of chapters 97 to 102, provided that it shall be unlawful to take any migratory game birds at any time in violation of any federal law or regulation. ~~Zenaidura~~ *Zenaidura macroura* shall not be taken and possessed in ~~the state~~ *Cook, Lake, St. Louis, Itasca or Koochiching Counties*.

Sec. 9. Minnesota Statutes 1980, Section 100.28, Subdivision 2, is amended to read:

Subd. 2. Unless the numbers are reduced by order of the commissioner, no person shall take in any one day, or shall have in possession at any one time, a greater number of any species than prescribed by the following table:

Species	Daily	Possession
<i>Zenaidura macroura</i>	12	24
Quail	10	15
Partridge (ruffed grouse), prairie chicken (pinnated grouse), pheasant, white breasted grouse (sharp tailed grouse), Hungarian partridge or Chukar partridge	5	10

provided that not more than one hen pheasant shall be taken in any one day, nor more than two had in possession.”

Page 8, line 30, delete “and 10” and insert “10, 11 and 12”

Page 8, line 31, delete “11” and insert “13”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “allowing the taking of mourning doves; providing for an advisory referendum on an open season for mourning doves;”

Page 1, line 11, after “1;” insert “100.27, Subdivision 6; 100.28, Subdivision 2;”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 37, as follows:

Those who voted in the affirmative were:

Berg	Chmielewski	Menning	Peterson, R.W.	Taylor
Bernhagen	Frederickson	Olhoft	Pillsbury	Willet
Bertram	Lessard	Peterson, C.C.	Schmitz	

Those who voted in the negative were:

Ashbach	Brataas	Davis	Frank	Knoll
Belanger	Dahl	Dicklich	Frederick	Knutson
Berglin	Davies	Dieterich	Keefe	Kroening

Langseth	Nelson	Ramstad	Stern	Waldorf
Lantry	Pehler	Setzepfandt	Stokowski	Wegener
Luther	Penny	Sikorski	Stumpf	
Merriam	Peterson, D.L.	Solon	Tennessee	
Moe, D. M.	Petty	Spear	Vega	

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

Mr. Berg moved to amend S. F. No. 724 as follows:

Page 6, line 12, delete “, long and”

Page 6, line 13, delete “long rifle”

The motion prevailed. So the amendment was adopted.

S. F. No. 429, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 3, line 23, delete “or she”

Page 8, lines 14, 18, 23, 26, 27, and line 35 in both instances, delete “or she”

Page 9, lines 4, 10, 15, and 19, delete “or she”

Page 9, line 19, after “that he” delete “or”

Page 9, line 20, delete “she”

Page 9, lines 25 and 31, delete “or she”

Page 10, lines 1, 8, 14, 19, 20, 25, and 33, delete “or she”

Page 11, line 1, delete “or”

Page 11, line 2, delete “she”

The motion prevailed. So the amendment was adopted.

S. F. No. 1135, which the committee reports progress, subject to the following motions:

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

Page 3, after line 6, insert:

“Sec. 5. [136A.071] [REPORT; MINNESOTA PRIVATE COLLEGE COUNCIL.]

The Minnesota private college council shall prepare a comprehensive report to be delivered to the legislature by January 1, 1982. The report shall be designed to identify emerging trends related to post-secondary education, and shall include, but is not limited to:

- (a) *A statement of the educational mission of the private college system; and*
- (b) *A four year plan which will include program plans, staffing, use of facilities, and cooperative efforts with other education agencies.*

Sec. 6. Minnesota Statutes 1980, Section 137.02, is amended by adding a subdivision to read:

Subd. 5. The University of Minnesota shall prepare a comprehensive report to be delivered to the legislature by January 1, 1982. The report shall be

designed to identify emerging trends related to post-secondary education, and shall include, but is not limited to:

(a) A statement of the educational mission of the system of the University of Minnesota; and

(b) A four year plan which will include program plans, staffing, use of facilities, and cooperative efforts with other education agencies."

Amend the title as follows:

Page 1, line 6, delete "and"

Page 1, line 7, before the period, insert "; and 137.02, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 136A"

Mr. Hughes requested division of the amendment as follows:

First portion:

Page 3, after line 6, insert:

"Sec. 5. [136A.071] [REPORT; MINNESOTA PRIVATE COLLEGE COUNCIL.]

The Minnesota private college council shall prepare a comprehensive report to be delivered to the legislature by January 1, 1982. The report shall be designed to identify emerging trends related to post-secondary education, and shall include, but is not limited to:

(a) A statement of the educational mission of the private college system; and

(b) A four year plan which will include program plans, staffing, use of facilities, and cooperative efforts with other education agencies."

Amend the title as follows:

Page 1, line 6, delete "and"

Page 1, line 7, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 136A"

Second portion:

Page 3, after line 6, insert:

Sec. 6. Minnesota Statutes 1980, Section 137.02, is amended by adding a subdivision to read:

Subd. 5. The University of Minnesota shall prepare a comprehensive report to be delivered to the legislature by January 1, 1982. The report shall be designed to identify emerging trends related to post-secondary education, and shall include, but is not limited to:

(a) A statement of the educational mission of the system of the University of Minnesota; and

(b) A four year plan which will include program plans, staffing, use of facilities, and cooperative efforts with other education agencies."

Amend the title as follows:

Page 1, line 6, delete "and"

Page 1, line 7, before the period, insert “; and 137.02, by adding a subdivision”

The question was taken on the first portion of the Pehler amendment. The motion did not prevail. So the first portion of the amendment was not adopted.

The question was taken on the second portion of the Pehler amendment. The motion prevailed. So the second portion of the amendment was adopted.

S. F. No. 1135 was then progressed.

H.F. No. 1344, which the committee recommends to pass, subject to the following motion:

Mr. Hughes moved that the amendment made to H.F. No. 1344 by the Committee on Rules and Administration in the report adopted April 29, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S. F. No. 984, which the committee recommends to pass with the following amendment offered by Mr. Bernhagen:

Page 10, line 27, after the comma, insert “for annual sales under \$200,” and reinstate “\$25” and before “\$50” insert “; and for annual sales over \$200.”

The motion prevailed. So the amendment was adopted.

H. F. No. 979, which the committee recommends to pass with the following amendments offered by Messrs. Solon and Chmielewski:

Mr. Solon moved to amend the amendment placed on H. F. No. 979 by the committee on Health, Welfare, and Corrections, adopted by the Senate on April 23, 1981, as follows:

Delete the amendment to page 1, line 22

The motion prevailed. So the amendment was adopted.

Mr. Chmielewski moved to amend H. F. No. 979 as follows:

Page 2, after line 10, insert:

“Sec. 2. [CERTIFICATE OF NEED WAIVER.]

The Sandstone area hospital may fulfill a contract entered into before January 1, 1981, by the Pine County board of commissioners and the Sandstone area hospital without complying with the provisions of sections 145.832 to 145.845.”

Amend the title as follows:

Page 1, line 5, after the semicolon, insert “granting a hospital a specific waiver from certificate of need requirements;”

The motion prevailed. So the amendment was adopted.

S. F. No. 1212, which the committee recommends to pass with the following amendments offered by Mrs. Kronebusch and Mr. Davies:

Mrs. Kronebusch moved to amend S. F. No. 1212 as follows:

Page 2, line 26, after the period, insert “Non-operating expenses may not be

extracted on the reporting form prior to determination of net profits for reporting purposes only. Administrative expenses charged to the liquor store by the city must be actual operating expenses and not used for any other public purpose prior to the determination of net profits."

The motion prevailed. So the amendment was adopted.

Mr. Davies moved to amend S. F. No. 1212 as follows:

Page 2, line 23, delete "and/or" and insert "and"

The motion prevailed. So the amendment was adopted.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that H. F. No. 157 be taken from the table. The motion prevailed.

Ms. Berglin moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 157, 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.

Ms. Berglin moved that S. F. No. 432 be taken from the table. The motion prevailed.

S. F. No. 432: A bill for an act relating to taxation; providing dates for settlement of mortgage registry and deed tax receipts; providing for payment of excise tax on special fuel by bulk purchasers; clarifying responsibilities and authority of commissioner of revenue in administering and auditing mineral taxes; providing for filing requirements for royalty reports; amending Minnesota Statutes 1980, Sections 287.12; 287.29, Subdivision 1; 296.12, Subdivisions 3, 4, and 5, and by adding a subdivision; 298.09, by adding a subdivision; 298.15; 299.03; 299.05; and 299.12; and repealing Minnesota Statutes 1980, Section 287.29, Subdivision 2.

CONCURRENCE AND REPASSAGE

Ms. Berglin moved that the Senate concur in the amendments by the House to S. F. No. 432 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 432 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Frederick	Langseth	Nelson
Belanger	Dahl	Frederickson	Lantry	Pehler
Benson	Davies	Hanson	Lessard	Peterson, C. C.
Berg	Davis	Humphrey	Lindgren	Peterson, D. L.
Berglin	Dicklich	Knoll	Luther	Peterson, R. W.
Bernhagen	Dieterich	Knutson	Menning	Petty
Bertram	Engler	Kroening	Merriam	Pillsbury
Brataas	Frank	Kronebusch	Moe, R. D.	Ramstad

Renneke
Rued
Schmitz
Setzepfandt

Sikorski
Spear
Stern

Stokowski
Stumpf
Taylor

Tennessee
Ulland
Vega

Waldorf
Wegener
Willet

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

RECONSIDERATION

Mr. Davies moved that the vote whereby S. F. No. 64 failed to pass the Senate on May 1, 1981, be now reconsidered. The motion prevailed.

S. F. No. 64: A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; increasing the weekly maximums for certain first-party benefits; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for payment of certain benefits; increasing residual liability benefits; increasing certain uninsured benefits; establishing tort threshold limitations on uninsured motorist coverage; providing mandatory underinsured motorist coverage; amending Minnesota Statutes 1980, Sections 65B.44, Subdivisions 1, 3, 6, and 7; 65B.47, Subdivision 2, and by adding subdivisions; and 65B.49, Subdivisions 3 and 4, and by adding a subdivision.

Mr. Davies moved that S. F. No. 64 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Pehler introduced—

Senate Resolution No. 57: A Senate resolution extending support for the Minnesotans conducting the 1981 Pederson South Pole Expedition.

Referred to the Committee on Rules and Administration.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 4:50 p.m. The motion prevailed.

The hour of 4:50 p.m. having arrived, the President called the Senate to order.

Mr. Moe, R.D. moved that the Senate do now recess until after the conclusion of the Joint Convention. The motion prevailed.

The Senate reconvened at the appointed time.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Tuesday, May 5, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-SEVENTH DAY

St. Paul, Minnesota, Tuesday, May 5, 1981

The Senate met at 1:00 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Myron Nysether.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	Spear	

The President declared a quorum present.

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

CALL OF THE SENATE

Mr. Hanson imposed a Call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MEMBERS EXCUSED

Mr. Frederick was excused from the Session of today from 1:00 to 1:30 p.m.
 Mr. Humphrey was excused from the Session of today from 1:00 to 3:00 p.m.
 Mr. Solon was excused from the Session of today from 3:30 to 10:00 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 1, 1981

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

The Honorable Jack Davies
 President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 preser-

vation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	30	61	April 30	May 1
	241	62	April 30	May 1
	401	63	April 30	May 1
	420	64	April 30	May 1
	518	65	April 30	May 1
196		66	April 30	May 1
219		67	April 30	May 1
305		68	April 30	May 1
330		69	April 30	May 1
333		70	April 30	May 1
339		71	April 30	May 1
462		72	April 30	May 1
463		73	April 30	May 1
611		74	April 30	May 1
849		75	April 30	May 1
1044		76	April 30	May 1

Sincerely,

Joan Anderson Growe
Secretary of State

May 4, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 200, 353, 372, 375, 760, 520, 249, 741 and 225.

Sincerely yours,

Albert H. Quie, Governor

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. 291, 1193, 1248, 1278, 443, 550, 556 and 823.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1981

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. 72: A bill for an act relating to elections; providing a penalty for broadcasting certain false information; exempting certain broadcasters and

publishers; amending Minnesota Statutes 1980, Section 210A.04.

Senate File No. 72 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1981

Mr. Hanson moved that S. F. No. 72 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. 771: A bill for an act relating to Otter Tail county and the town of Oak Port in Clay county; authorizing the Otter Tail county board to grant certain powers for a district created under Minnesota Statutes, Chapter 116A; authorizing the town of Oak Port to exercise certain powers.

Senate File No. 771 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1981

CONCURRENCE AND REPASSAGE

Mr. Peterson, C.C. moved that the Senate concur in the amendments by the House to S. F. No. 771 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 771: A bill for an act relating to Otter Tail county and the town of Oakport in Clay county; authorizing the Otter Tail county board to grant certain powers for a district created under Minnesota Statutes, Chapter 116A; authorizing the town of Oakport to exercise certain powers.

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:

Ashbach	Dicklich	Lantry	Peterson, C.C.	Spear
Bang	Dieterich	Lessard	Peterson, D.L.	Stern
Belanger	Engler	Lindgren	Peterson, R.W.	Stokowski
Benson	Frank	Luther	Petty	Stumpf
Berglin	Frederickson	Menning	Pillsbury	Taylor
Bernhagen	Hanson	Merriam	Ramstad	Tennessee
Bertram	Hughes	Moe, D.M.	Renneke	Ulland
Brataas	Johnson	Moe, R.D.	Rued	Vega
Chmielewski	Knoll	Nelson	Schmitz	Waldorf
Dahl	Kroening	Olhoft	Setzepfandt	Wegener
Davies	Kronebusch	Pehler	Sieloff	Willet
Davis	Langseth	Penny	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. 822: A bill for an act relating to occupations and professions; providing for oral examinations of electricians by the board of electricity; amending Minnesota Statutes 1980, Section 326.242, Subdivision 7.

Senate File No. 822 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1981

CONCURRENCE AND REPASSAGE

Mr. Schmitz moved that the Senate concur in the amendments by the House to S. F. No. 822 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 822 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, C.C.	Spear
Bang	Dieterich	Lantry	Peterson, D.L.	Stern
Belanger	Engler	Lessard	Peterson, R.W.	Stokowski
Benson	Frank	Lindgren	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Berglin	Hanson	Menning	Ramstad	Tennessee
Bernhagen	Hughes	Merriam	Rennecke	Ulland
Bertram	Johnson	Moe, D.M.	Rued	Vega
Brataas	Keefe	Moe, R.D.	Schmitz	Waldorf
Chmielewski	Knoll	Nelson	Setzepfandt	Wegener
Dahl	Knutson	Olhoff	Sieloff	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	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. 1343: A bill for an act relating to elections; providing for automatic recounts in certain judicial elections; amending Minnesota Statutes 1980, Sections 204A.51, Subdivisions 2 and 3; and 204A.53, Subdivisions 2 and 3.

Senate File No. 1343 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1981

CONCURRENCE AND REPASSAGE

Mr. Schmitz moved that the Senate concur in the amendments by the House to S. F. No. 1343 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1343: A bill for an act relating to elections; providing for automatic recounts in certain judicial elections; amending Laws 1981, Chapter 29, Article V, Section 35.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, C. C.	Spear
Bang	Dieterich	Lantry	Peterson, D. L.	Stern
Belanger	Engler	Lessard	Peterson, R. W.	Stokowski
Benson	Frank	Lindgren	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Berglin	Hanson	Menning	Ramstad	Tennessee
Bernhagen	Hughes	Merriam	Renneke	Ulland
Bertram	Johnson	Moe, D. M.	Rued	Vega
Brataas	Keefe	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Knoll	Nelson	Setzepfandt	Wegener
Dahl	Knutson	Olhoft	Sieloff	Willet
Davis	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	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 that the House refuses to concur in the Senate amendments to House File No. 582:

H. F. No. 582: A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

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

Begich; Carlson, D. and Kahn have been appointed as such committee on the part of the House.

House File No. 582 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 4, 1981

Mr. Merriam moved that the Senate accede to the request of the House for a

Conference Committee on H. F. No. 582, 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. 1421.

H. F. No. 1421: A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 121.931, Subdivision 5; 123.742, by adding a subdivision; 123.743; and 136A.121, Subdivisions 4 and 5.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Carlson, L.; Swanson; Welch; Nelsen, B. and Erickson have been appointed as such committee on the part of the House.

House File No. 1421 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, 4, 1981

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1421, 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. 1434.

H. F. No. 1434: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.295, Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Anderson, G.; Osthoff; Metzen; Valan and Mehrkens have been appointed

as such committee on the part of the House.

House File No. 1434 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, 4, 1981

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1434, 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. 1443.

H. F. No. 1443: A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative 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 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352E.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2 and 5; as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Kahn; Sieben, M.; Battaglia; Johnson, D. and Laidig have been appointed as

such committee on the part of the House.

House File No. 1443 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, 4, 1981

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1443 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. 1446.

H. F. No. 1446: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Samuelson; Hokanson; Rice; Anderson, R. and Forsythe have been appointed as such committee on the part of the House.

House File No. 1446 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, 4, 1981

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1446, 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. 1021, 1190, 1200, 1301 and 1160.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 4, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 1021: A bill for an act relating to elections; changing certain requirements for voting by absent and disabled voters; amending Laws 1981, Chapter 29, Article III, Section 2.

Referred to the Committee on Elections and Reapportionment.

H. F. No. 1190: A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1322, now on General Orders.

H. F. No. 1200: A bill for an act relating to courts; extending application of the provision of law providing for payment of travel expenses for certain district court judges; amending Laws 1980, Chapter 614, Section 162.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1226, now on General Orders.

H. F. No. 1301: A bill for an act relating to consumer protection; providing for a definition of building materials which may contain urea formaldehyde; providing for exceptions; amending Minnesota Statutes 1980, Section 325F.18, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1253, now on General Orders.

H. F. No. 1160: A bill for an act relating to commerce; exempting certain real estate brokers and salespersons from the licensing requirements for mobile home manufacturers and dealers; setting a penalty; amending Minnesota Statutes 1980, Sections 82.34, Subdivision 7; and 327.55, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1302, now on General Orders.

REPORTS OF COMMITTEES

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

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

S. F. No. 738: A bill for an act relating to metropolitan government; revising

the metropolitan agricultural preserves act; amending Minnesota Statutes 1980, Sections 473H.02, Subdivisions 2 and 3, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2 and 5; 473H.08, Subdivision 4; 473H.09; 473H.14; 473H.15, by adding a subdivision; and 473H.16, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 473H.

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

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

S. F. No. 1237: A bill for an act relating to taxation; extending the special levy for shade tree disease control by two years; amending Minnesota Statutes 1980, Section 275.50, Subdivision 6.

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

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

S. F. No. 1018: A bill for an act relating to taxation; eliminating unnecessary language concerning a property tax exemption for cheese; amending Minnesota Statutes 1980, Sections 272.02, Subdivision 1; 273.115, Subdivisions 1, 2, and 3; and 273.116, Subdivisions 1 and 2.

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

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

S. F. No. 1152: A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 290.971; 290.972; 290.973; and 290.975.

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

Page 9, line 1, after the stricken "Modifications" insert "*A modification*" and reinstate "affecting shareholders of electing small"

Page 9, reinstate line 2

Page 9, line 3, reinstate "Code of 1954" and after the stricken comma insert "*shall be made*" and reinstate the stricken period

Page 9, line 23, reinstate "In cases where the election under section 1372 of the"

Page 9, reinstate line 24

Page 9, line 25, reinstate "this chapter and at the close of the taxable"

Page 9, line 26, reinstate "year immediately preceding the effective election"

under" and insert "*this chapter*"

Page 9, line 27, reinstate "the corporation has a reserve of undistributed taxable"

Page 9, reinstate lines 28 to 36

Page 10, lines 1 to 15, reinstate the stricken language

Page 11, line 23, delete "290.973;"

Amend the title as follows:

Page 1, line 9, delete "290.973;"

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

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

S. F. No. 1205: A bill for an act relating to taxation; real property; allowing property used by certain disabled veterans to qualify for 3cc classification; amending Minnesota Statutes 1980, Section 273.13, Subdivision 7.

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

Amend the title as follows:

Page 1, line 3, delete "veterans" and insert "persons"

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

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

S. F. No. 440: A bill for an act establishing the North Koochiching county waste water treatment board; prescribing its duties and powers; providing for the treatment and disposal of waste water in described areas.

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

Page 3, after line 19, insert:

"If any governmental unit withdraws from participation in the district pursuant to section 12, subdivision 4, the board members appointed by it shall not continue to serve on the board. If the governmental unit that withdraws is not the city of International Falls, the number of members representing International Falls shall be reduced by one; the membership of the most recently appointed representative of International Falls shall terminate 30 days after the date of withdrawal of the governmental unit. The number of members representing the city of International Falls shall not be reduced below three."

Page 22, line 5, before "The" insert "By an affirmative vote of more than two-thirds of its members,"

Page 22, line 20, after the period, insert "Prior to the issuance of the first general obligation bonds pursuant to this subdivision, the governing body of each governmental unit shall review the proposed bond issue. If any govern-

mental unit does not approve the bond issue by a majority vote of its governing body within 60 days from the date when a written proposal to issue the bonds has been transmitted to it by the board, that governmental unit shall be deemed to have withdrawn from the district. Upon withdrawal, a governmental unit shall be liable for payment of its share of the district's costs accrued prior to that time, and payment shall be made according to the provisions of section 9. After the first issuance of bonds pursuant to this subdivision, no governmental unit may withdraw from participation in the district."

Page 22, line 23, after "sale" insert " ; except that if the proposed borrowing is in an amount more than \$200,000 or if the sum of all outstanding certificates issued under subdivisions 1, 2 and 3 within the preceding six months exceeds \$200,000 a public sale is required"

Page 32, line 13, delete "Pursuant to"

Page 32, delete lines 14 and 15

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

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

S. F. No. 635: A bill for an act relating to taxation; imposing certain requirements and restrictions on the use of tax increment financing; amending Minnesota Statutes 1980, Sections 273.73, Subdivision 10; 273.74, Subdivisions 1, 2, 3, and 4, and by adding a subdivision; 273.75, Subdivisions 4 and 6, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 273; repealing Minnesota Statutes 1980, Section 273.76, Subdivision 4.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, 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, the commissioner of agriculture, and the commissioner of revenue, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the market value of taxable property in such district, then said committee shall call upon the department of revenue to ascertain the market value of such property, and adjust such values as required by law to determine the adjusted assessed valuation. The department of revenue shall take such steps as are necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of revenue is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such adjusted valuation. On or before March 15, annually, the department of revenue shall submit its report on the assessed values established by the previous year's assessment to said committee for approval or rejection and, if approved, such report shall be filed not later

than the following July 1 with the commissioner of education and each county auditor for those school districts for which he has the responsibility for determination of mill rates. A copy of the adjusted assessed value so filed shall be forthwith mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which such district is located.

(b) 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.

(c) *The committee shall include in the adjusted assessed value of each district the captured assessed value as defined in section 273.73, subdivision 4, of all parcels included in each economic development district as defined in section 273.73, subdivision 12, located within the district, plus the additional amount of value needed to produce, when added to the adjusted assessed value of the district, a school district levy providing tax proceeds to the school district equivalent to the tax proceeds that would have resulted from a levy on the total adjusted assessed value of the district, including the captured assessed value of the parcels in the economic development district, if no value were being captured by the economic development district located there.*

Sec. 2. Minnesota Statutes 1980, Section 273.73, Subdivision 10, is amended to read:

Subd. 10. [REDEVELOPMENT DISTRICT.] (a) "Redevelopment district" means a type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that one of the following conditions, reasonably distributed throughout the district, exists:

(1) ~~70 percent of the land is predominantly~~ *parcels in the district are occupied by buildings, streets, utilities or other improvements and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance; or*

(2) ~~70 percent of the land is predominantly~~ *parcels in the district are occupied by buildings, streets, utilities or other improvements and 20 25 percent of the buildings are structurally substandard and an additional 30 40 percent of the buildings are found to require substantial renovation or clearance in order to remove such existing conditions as: inadequate street layout, incompatible uses or land use relationships, overcrowding of buildings on the land, excessive dwelling unit density, obsolete buildings not suitable for improvement or conversion, or other identified hazards to the health, safety and general well being of the community; or*

(3) ~~Less than 70 percent of the land is not predominantly~~ *parcels in the district are occupied by buildings, streets, utilities or other improvements, but due to unusual terrain or soil deficiencies requiring substantial filling, grading or other physical preparation for use at least 80 percent of the total acreage of such land has a fair market value upon inclusion in the redevelopment district which, when added to the estimated cost of preparing the that land for use;*

including utilities development, excluding costs directly related to roads as defined in section 160.01 and local improvements as described in section 429.021, subdivision 1, clauses 1 to 7, 11 and 12, and section 430.01, if any, exceeds its anticipated fair market value after completion of said preparation; provided that no parcel shall be included within a redevelopment district pursuant to this paragraph (3) unless the authority has concluded an agreement or agreements for the development of at least 50 percent of the acreage having the unusual soil or terrain deficiencies, which agreement provides recourse for the authority should the development not be completed; or

(4) The property consists of underutilized air rights existing over a public street, highway or right-of-way.

(b) For purposes of this subdivision, "structurally substandard" shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. ~~"Predominantly occupied" shall mean at least 50 percent of the parcels comprising at least 50 percent of the acreage.~~ "Parcel" shall mean a tract or plat of land established prior to the certification of the district as a single unit for purposes of assessment.

Sec. 3. Minnesota Statutes 1980, Section 273.73, Subdivision 13, is amended to read:

Subd. 13. [ADMINISTRATIVE EXPENSES.] "Administrative expenses" means all expenditures of an authority other than amounts paid for the purchase of land or amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the district, relocation benefits paid to or services provided for persons residing or businesses located in the district, or amounts used to pay interest on, fund a reserve for, or sell at a discount bonds issued pursuant to section 273.77. "Administrative expenses" includes amounts paid for services provided by bond counsel, fiscal consultants, and planning or economic development consultants.

Sec. 4. Minnesota Statutes 1980, Section 273.74, Subdivision 1, is amended to read:

273.74 [ESTABLISHING, MODIFYING TAX INCREMENT FINANCING PLAN, ANNUAL ACCOUNTS.]

Subdivision 1. [TAX INCREMENT FINANCING PLAN.] A tax increment financing plan shall contain:

(a) A statement of objectives of an authority for the improvement of a district- ~~The plan shall contain:~~

(b) A statement as to the development program for the district, including the property within the district, if any, which the authority intends to acquire- ~~It shall also contain;~~

(c) A list of any development activities which the plan proposes to take place within the district, for which contracts have been entered into at the time of the preparation of the plan, including the names of the parties to the contract, the activity governed by the contract, the cost stated in the contract, and the

expected date of completion of that activity;

(d) Identification or description of the type of any other specific development reasonably expected to take place within the district, and the date when the development is likely to occur;

(e) Estimates of the following:

(1) Cost of the district, including administration expenses;

(2) Amount of bonded indebtedness to be incurred;

(3) Sources of revenue to finance or otherwise pay public costs;

(4) The most recent assessed value of taxable real property within the district;

(5) The estimated captured assessed value of the district at completion; and

(6) The duration of the district's existence. ~~The plan shall also contain; and~~

(f) A statement of the authority's estimate of the impact of tax increment financing on the assessed values of all taxing jurisdictions in which the district is located in whole or in part.

Sec. 5. Minnesota Statutes 1980, Section 273.74, Subdivision 2, is amended to read:

Subd. 2. [CONSULTATIONS; COMMENT AND FILING.] Before formation of a tax increment financing district, the authority shall provide an opportunity to the members of the county boards of commissioners of any county in which any portion of the proposed district is located and the members of the school board of any school district in which any portion of the proposed district is located to meet with the authority. The authority shall present to the members of the county boards of commissioners and the school boards its estimate of the fiscal and economic implications of the proposed tax increment financing district. The members of the county boards of commissioners and the school boards may present their comments at the public hearing on the tax increment financing plan required by subdivision 3. *The county auditor shall not certify the original assessed value of a district pursuant to section 273.76, subdivision 1, until the county board of commissioners has presented its written comment on the proposal to the authority, or 45 days has passed from the date of the transmittal to the board of the information regarding the fiscal and economic implications, whichever occurs first.* Upon adoption of the tax increment financing plan, the authority shall file the same with the state planning agency.

Sec. 6. Minnesota Statutes 1980, Section 273.74, Subdivision 3, is amended to read:

Subd. 3. [MUNICIPALITY APPROVAL.] No county auditor shall certify the original assessed value of a tax increment financing district until the tax increment financing plan proposed for that district has been approved by the municipality in which the district is located *and, until the requirements of subdivision 3b have been met and, in the case of a plan for an economic development district, until the requirements of subdivision 3a have been met.* If an authority which proposes to establish a tax increment financing district and the municipality are not the same, the authority shall apply to the municipality

in which the district is proposed to be located and shall obtain the approval of its tax increment financing plan by the municipality before the authority may use tax increment financing. The municipality shall approve the tax increment financing plan only after a public hearing thereon after published notice in a newspaper of general circulation in the municipality at least once not less than ten days nor more than 30 days prior to the date of the hearing. This hearing may be held before or after the approval or creation of the project or it may be held in conjunction with a hearing to approve the project. Before or at the time of approval of the tax increment financing plan, the municipality shall make the following findings, *and shall set forth in writing the reasons and supporting facts for each determination*:

(a) That the proposed tax increment financing district is a redevelopment district, a housing district or an economic development district ~~and the specific bases for such determination.~~

(b) That the proposed development or redevelopment; ~~in the opinion of the municipality,~~ would not *reasonably be expected* to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

(c) That the tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole.

(d) That the tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the district by private enterprise.

(e) That the municipality elects the method of tax increment computation set forth in section 273.76, subdivision 3, clause (b), if applicable.

When the municipality and the authority are not the same, the municipality shall approve or disapprove the tax increment financing plan within 60 days of submission by the authority, or the plan shall be deemed approved. When the municipality and the authority are not the same, the municipality may not amend or modify a tax increment financing plan except as proposed by the authority pursuant to subdivision 4. Once approved, the determination of the authority to undertake the project through the use of tax increment financing and the resolution of the governing body shall be conclusive of the findings therein and of the public need for such financing.

Sec. 7. Minnesota Statutes 1980, Section 273.74, is amended by adding a subdivision to read:

Subd. 3a. [REVERSE REFERENDUM.] Upon approval by the governing body of the municipality of the use of tax increment financing for an economic development district pursuant to subdivision 3, the governing body shall publish a notice of the approval in a newspaper of general circulation in the municipality. If within 30 days after the date of publication, a petition signed by voters equal in number to 15 percent of the votes cast in the municipality in the last general election as defined in section 200.02, subdivision 2, requesting a referendum on the use of tax increment financing for the project, is filed with the clerk or recorder of the municipality, the district shall not be certified until the question has been submitted to the voters at a general or special election and a majority of votes cast on the question are in the affirmative.

Sec. 8. Minnesota Statutes 1980, Section 273.74, is amended by adding a

subdivision to read:

Subd. 3b. [HOME RULE CHARTER AMENDMENTS.] Nothing in sections 273.71 to 273.78 shall be construed to prevent a home rule charter city from adopting a charter amendment requiring a local referendum on the formation of all tax increment districts within that city.

Sec. 9. Minnesota Statutes 1980, Section 273.74, Subdivision 4, is amended to read:

Subd. 4. [MODIFICATION OF PLAN.] A tax increment financing plan may be modified by an authority, provided that any reduction or enlargement of geographic area, increase in amount of bonded indebtedness to be incurred, including a determination to capitalize interest on the debt if that determination was not a part of the original plan, or to increase or decrease the amount of interest on the debt to be capitalized, increase in the portion of the captured assessed value to be retained by the authority, increase in total estimated tax increment expenditures or designation of additional property to be acquired by the authority shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original plan; provided that if an authority changes the type of project from housing, redevelopment or economic development to another type of project, this change shall not be considered a modification but shall require the authority to follow the procedure set forth in sections 273.71 to 273.78 for adoption of a new plan, including certification of the assessed valuation of the district by the county auditor.

The geographic area of a tax increment financing district may be reduced, but shall not be enlarged after five years following the date of certification of the original assessed value by the county auditor or five years from August 1, 1979, for tax increment financing districts authorized prior to August 1, 1979, except that development districts created pursuant to chapter 472A prior to August 1, 1979 may be reduced but shall not be enlarged after five years following the date of designation of such district.

Sec. 10. Minnesota Statutes 1980, Section 273.75, Subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON ADMINISTRATIVE EXPENSES.] No tax increment shall be used to pay any administrative expenses for a district which exceed five eight percent of the total tax increment expenditures authorized by the tax increment financing plan or the total tax increment expenditures for the district, whichever is less.

Sec. 11. Minnesota Statutes 1980, Section 273.75, Subdivision 4, is amended to read:

Subd. 4. [LIMITATION ON USE OF TAX INCREMENT.] All revenues derived from tax increment shall be used in accordance with the tax increment financing plan. The revenues shall be used solely for the following purposes: (a) to pay the principal of and interest on bonds issued to finance a project; (b) by a rural development financing authority for the purposes stated in section 362A.01, subdivision 2, by a port authority or municipality exercising the powers of a port authority to finance or otherwise pay the cost of redevelopment pursuant to chapter 458, by a housing and redevelopment authority to finance or otherwise pay public redevelopment costs pursuant to chapter 462,

by a municipality to finance or otherwise pay the capital and administration costs of a development district pursuant to chapter 472A, by a municipality or redevelopment agency to finance or otherwise pay premiums for insurance guaranteeing the payment of net rentals when due under the project lease or to accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds pursuant to chapter 474. These revenues shall not be used to circumvent existing levy limit law. *No revenues derived from tax increment shall be used for the construction or renovation of a municipally owned building used primarily and regularly for conducting the business of the municipality; this provision shall not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure, a commons area used as a public park or a facility used for social or recreational purposes and not primarily for conducting the business of the municipality. No more than 15 percent of the proceeds from the sale of tax increment bonds with respect to a tax increment district shall be used for the construction of or improvements to a trunk highway.*

Sec. 12. Minnesota Statutes 1980, Section 273.75, Subdivision 6, is amended to read:

Subd. 6. [LIMITATION ON INCREMENT.] If, after ~~five~~ four years from the date of certification of the original assessed value of the tax increment financing district pursuant to section 273.76, no demolition, rehabilitation or renovation of property or other site preparation, including improvement of a street adjacent to a parcel but not installation of utility service *including sewer or water systems*, has been commenced on a parcel located within a tax increment financing district by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel, and the original assessed value of that parcel shall be excluded from the original assessed value of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced, and the county auditor shall certify the assessed value thereof as most recently certified by the commissioner of revenue and add it to the original assessed value of the tax increment financing district. For purposes of this subdivision "parcel" means a tract or plat of land established *prior to the certification of the district* as a single unit for purposes of assessment.

Sec. 13. Minnesota Statutes 1980, Section 273.75, is amended by adding a subdivision to read:

Subd. 7. [SUBSEQUENT DISTRICTS.] *No parcel may be included in a tax increment district if, at any time during the 20 years prior to the date when certification of the district is requested pursuant to section 273.76, subdivision 1, that parcel had been included in an economic development district.*

Sec. 14. Minnesota Statutes 1980, Section 273.76, Subdivision 4, is amended to read:

Subd. 4. [PRIOR PLANNED IMPROVEMENTS.] The authority shall, after due and diligent search, accompany its request for certification to the county auditor pursuant to subdivision 1, or its notice of district enlargement

pursuant to section 273.74, subdivision 5, with a listing of all properties within the tax increment financing district or area of enlargement for which building permits have been issued during the 18 months immediately preceding approval of the tax increment financing plan by the municipality pursuant to section 273.74, subdivision 4. ~~For 12 months after completion of the improvements for which a building permit was issued during said 18 month period.~~ The county auditor is authorized, ~~but not required,~~ to shall increase the original assessed value of the district by the assessed valuation of the improvements for which the building permit was issued, as certified by the assessor.

Sec. 15. Minnesota Statutes 1980, Section 273.77, is amended to read:

273.77 [TAX INCREMENT BONDING.]

Any other law, general or special, notwithstanding, after August 1, 1979 no bonds, payment for which tax increment is pledged, shall be issued in connection with any project for which tax increment financing has been undertaken other than as is authorized hereby and the proceeds therefrom shall be used only in accordance with section 273.75, subdivision 4 as if said proceeds were tax increment, except that a tax increment financing plan need not be adopted for any project for which tax increment financing has been undertaken prior to August 1, 1979, pursuant to statutes not requiring a tax increment financing plan. Such bonds shall not be included for purposes of computing the net debt of any municipality.

(a) A municipality may issue general obligation bonds to finance any expenditure by the municipality or an authority the jurisdiction of which is wholly or partially within that municipality, pursuant to section 273.75, subdivision 4 in the same manner and subject only to the same conditions as those provided in chapter 475 for bonds financing improvement costs reimbursable from special assessments. Any pledge of tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision, except when the authority and the municipality are the same, shall be made by written agreement by and between the authority and the municipality and filed with the county auditor. When the authority and the municipality are the same, the municipality may by covenant pledge tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision and thereupon shall file the resolution containing such covenant with the county auditor. When tax increment, assessments and other revenues are pledged, the estimated collections of said tax increment, assessments and any other revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1 or 3.

(b) When the authority and the municipality are not the same, an authority may, by resolution, authorize, issue and sell its general obligation bonds to finance any expenditure which that authority is authorized to make by section 273.75, subdivision 4. Said bonds of the authority shall be authorized by its resolution, shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322, and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered,

carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine, and any provision of any law to the contrary notwithstanding, the bonds shall be fully negotiable. In any suit, actions, or proceedings involving the validity of enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a district shall be conclusively deemed to have been issued for such purpose, and the district shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds of the authority, and such bonds shall so state on their face, shall not be a debt of any municipality, the state or any political subdivision thereof, and neither the municipality nor the state or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds be payable out of any funds or properties other than those of the authority and any tax increment and revenues of a tax increment financing district pledged therefor.

(c) Notwithstanding any other law general or special, an authority may, by resolution, authorize, issue and sell revenue bonds payable solely from all or a portion of revenues, including but not limited to tax increment revenues and assessments, derived from a tax increment financing district located wholly or partially within the municipality to finance any expenditure which the authority is authorized to make by section 273.75, subdivision 4. The bonds shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322 and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine, and any provision of any law to the contrary notwithstanding, shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a district shall be conclusively deemed to have been issued for such purpose; and the district shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds may be further secured by a pledge and mortgage of all or any portion of the district in aid of which the bonds are issued and such covenants as the authority shall deem by such resolution to be necessary and proper to secure payment of the bonds. The bonds, and the

bonds shall so state on their face, shall not be payable from nor charged upon any funds other than the revenues and property pledged or mortgaged to the payment thereof, nor shall the issuing authority be subject to any liability thereon or have the powers to obligate itself to pay or pay the bonds from funds other than the revenues and properties pledged and mortgaged and no holder or holders of the bonds shall ever have the right to compel any exercise of any taxing power of the issuing authority or any other public body, other than as is permitted or required under Laws 1979, Chapter 322 and pledged therefor hereunder, to pay the principal of or interest on any such bonds, nor to enforce payment thereof against any property of the authority or other public body other than that expressly pledged or mortgaged for the payment thereof.

(d) (1) In anticipation of the issuance of bonds pursuant to either paragraph (a), (b) or (c) of this section, the authority or municipality may by resolution issue and sell temporary bonds pursuant to paragraph (a), (b) or (c), maturing within not more than three years from their date of issue, to pay any part or all of the cost of a project. To the extent that the principal of and interest on the temporary bonds cannot be paid when due from receipts of tax increment, assessments, or other funds appropriated for the purpose, they shall be paid from the proceeds of long-term bonds or additional temporary bonds which the authority or municipality shall offer for sale in advance of the maturity date of the temporary bonds, but the indebtedness funded by an issue of temporary bonds shall not be extended by the issue of additional temporary bonds for more than six years from the date of the first issue. Long-term bonds may be issued pursuant to paragraph (a), (b) or (c) without regard to whether the temporary bonds were issued pursuant to paragraph (a), (b) or (c). If general obligation temporary bonds are issued pursuant to paragraph (a), proceeds of long-term bonds or additional temporary bonds not yet sold may be treated as pledged revenues, in reduction of the tax otherwise required by section 475.61 to be levied prior to delivery of the obligations. Subject to the six-year maturity limitation contained above, but without regard to the requirement of section 475.58, if any temporary bonds are not paid in full at maturity, in addition to any other remedy authorized or permitted by law, the holders may demand, in which case the authority or municipality shall, issue pursuant to paragraph (a), (b) or (c) as the temporary bonds and in exchange for the temporary bonds, at par, replacement temporary bonds dated as of the date of the replaced temporary bonds, maturing within one year from the date of the replacement temporary bonds and earning interest at the rate set forth in the resolution authorizing the issuance of the replaced temporary bonds, provided that the rate shall not exceed the maximum rate permitted by law at the date of issue of the replaced temporary bonds.

(2) Funds of a municipality may be invested in its temporary bonds in accordance with the provisions of section 471.56, and may be purchased upon their initial issue, but shall be purchased only from funds which the governing body of the municipality determines will not be required for other purposes before the maturity date, and shall be resold before maturity only in case of emergency. If purchased from a debt service fund securing other bonds, the holders of those bonds may enforce the municipality's obligations on the temporary bonds in the same manner as if they held the temporary bonds.

Sec. 16. [EFFECTIVE DATE.]

Sections 1 to 13 and 15 are effective with respect to districts for which

certification is requested after June 30, 1981, except that the provisions of section 9 relating to changes in the type of an existing project shall apply to any district the type of which is changed subsequent to the date of final enactment of this act. Section 14 is effective with respect to districts for which certification is requested or districts which are modified by a reduction or enlargement of geographic area after December 31, 1981."

Amend the title as follows:

Page 1, line 4, after "Sections" insert "124.212, Subdivision 10;"

Page 1, line 5, delete "Subdivision" and insert "Subdivisions" and after "10" insert "and 13"

Page 1, line 6, delete "a subdivision" and insert "subdivisions"

Page 1, line 7, before "4" insert "3," and after "adding" delete "subdivisions" and insert "a subdivision"

Page 1, delete lines 8 to 10 and insert "273.76, Subdivision 4; and 273.77."

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 150: A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; requiring a property accounting system for AVTI's; providing for an arts in education program; providing for a low-power T.V. education project; modifying criteria for participation in teacher mobility and early retirement programs; providing for the transfer of proceeds from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; appropriating money; amending Minnesota Statutes 1980, Sections 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.0751, Subdivision 5; 120.17, Subdivisions 1a, 3b, 4, 5a, 6, 7 and by adding a subdivision; 120.78; 121.90; 121.902, by adding a subdivision; 121.904, by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2, 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.705; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b and by adding a subdivision; 124.14, Subdivision 2; 124.17, by adding a subdivision; 124.20; 124.212, Subdivisions 1, 7d, 8a, 9a and by adding subdivisions; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding a subdivision; 124.271, Subdivisions 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 6, 9 and by adding a subdivision; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.5621, Subdivisions 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623,

Subdivisions 4 and 5; 124.5624, Subdivisions 3, 4 and 6; 124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3, 8 and by adding subdivisions; 124.573, Subdivisions 2, 3, 3a, 5 and by adding subdivisions; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 8 and 9; 126.262, Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 273.138, Subdivisions 1 and 6; 275.125, Subdivisions 2a, 6b, 6c, 7a, 8, 9, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivision 1; 354A.091, Subdivision 1; 375.335, Subdivision 4 and by adding subdivisions; and Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 3; 121; 124; and 275; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 123.40, Subdivision 5; 123.703, Subdivision 3; 123.937; 124.225, Subdivisions 4, 7 and 8; 124.247, Subdivision 5; 124.26, Subdivision 3; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 273.138, Subdivision 3; 275.125, Subdivision 7b; Laws 1973, Chapter 683, Section 26, Subdivision 13; and Laws 1980, Chapter 609, Article IV, Sections 19, 20 and 21.

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 673 and 936 for comparison with 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.
673	477				
936	1076				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 673 be amended as follows:

Page 1, line 18, after "1982" insert a comma

Page 4, line 5, after "violated" insert "or is about to violate"

Page 4, line 16, delete "licensees" and insert "witnesses"

Page 4, delete lines 24 to 32

And when so amended H. F. No. 673 will be identical to S. F. No. 477, and further recommends that H. F. No. 673 be given its second reading and substituted for S. F. No. 477, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 936 be amended as follows:

Page 1, line 21, delete "\$25,000" and insert "\$18,000"

Page 1, line 22, after "such" insert "the"

Page 1, after line 23, insert:

“Sec. 2. Minnesota Statutes 1980, Section 90.041, is amended by adding a subdivision to read:

Subd. 4. In May of each year the commissioner shall hold a public meeting in each forest area to inform the public of the manner in which the cutting list for that area for the next fiscal year is proposed to be allocated between informal, intermediate and regular auction sales. The public shall be afforded an opportunity to provide written and oral comments concerning the proposed allocation.”

Page 1, line 24, delete “2” and insert “3”

Page 1, line 27, delete “\$25,000” insert “\$18,000”

Page 2, line 8, delete “3” and insert “4”

Page 2, line 9, delete “\$7,500” and insert “\$6,000”

Page 2, line 11, delete “\$7,500” and insert “\$6,000”

Page 2, line 14, delete “at the forest” and insert “held in the forestry”

Page 2, line 15, delete “most”

Page 2, line 16, delete “closest” and insert “close”

Page 2, line 18, delete “may” and insert “shall”

Page 2, line 23, delete the language after “hold,” and insert “no”

Page 2, delete lines 24 and 25

Page 2, line 26, delete “but at the same sale a successful”

Page 2, line 28, delete “(5)”

Page 2, line 29, delete the comma

Page 2, line 30, delete “(6)”

Page 2, delete lines 31 to 34 and insert:

“(5) the bond or deposit required pursuant to section 90.161 or 90.173 shall be given or deposited before any cutting begins, or not later than nine months after the date of the sale, whichever is earlier.”

Page 2, line 35, delete everything before “in” and insert “(6)”

Page 3, line 3, delete “(8)” and insert “(7)”

Page 3, line 5, delete “or to a person”

Page 3, line 6, delete “having more than 35 employees” and delete “(9)” and insert “(8)”

Page 3, line 7, insert “(9) No sale may be made to a person having more than 25 employees;”

Page 3, line 11, delete “an” and insert “one”

Page 3, line 21, delete “\$7,500” and insert “\$6,000”

Page 3, line 23, delete “4” and insert “5”

Page 3, lines 27 and 28, delete "3, which" and insert "4, that"

Page 3, line 28, delete "3" and insert "4"

Page 3, line 30, delete "5" and insert "6"

Page 3, line 33, strike everything after "contracts"

Page 4, line 8, delete "not less than"

Page 4, after line 14, insert:

"Sec. 7. Minnesota Statutes 1980, Section 90.161, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by law the purchaser of any state timber, before any timber permit to him shall become effective for any purpose, shall within 90 days from the date of purchase give a good and valid bond to the state of Minnesota equal to the value of all timber covered or to be covered by the permit, as shown by the sale price bid therefor and the appraisal report thereof as to quantity, *less the amount of any payment pursuant to section 90.14*, which bond shall be conditioned upon the faithful performance by the purchaser and his successors in interest of all the terms and conditions of the permit and all requirements of law in respect to such sales; and the bond shall be approved in writing by the commissioner and filed for record in his office."

Page 4, line 14, delete "6" and insert "8"

Page 4, line 24, insert a comma after "certificate" and delete "a" and insert "an"

Page 4, line 36, delete "of"

Page 5, line 1, delete everything before "if"

Page 5, after line 5, insert:

"When cash is deposited for a bond, it shall be applied to the amount due when a statement is prepared and transmitted to the permit holder pursuant to section 90.181. Any balance due to the state shall be shown on the statement and shall be paid as provided in section 90.181. Any amount of the deposit in excess of the amount determined to be due pursuant to section 90.181 shall be returned to the permit holder when a final statement is transmitted pursuant to that section. All or part of a cash bond may be withheld from application to an amount due on a nonfinal statement if it appears that the total amount due on the permit will exceed the bid price."

Page 5, line 6, delete "7" and insert "9"

Page 5, line 10, strike "of" and delete the new language

Page 5, line 11, strike "percent per annum from date" and insert "determined pursuant to section 549.09"

Page 5, line 34, delete "8" and insert "10"

Page 6, line 3, strike "individual" and insert "person"

Page 6, line 5, strike "which" and insert "that"

Page 6, delete lines 10 to 26 and insert "the spouses of partners who are"

actively engaged in the business of logging; and (2) a corporation, of which a majority of the shares and voting power are owned by natural persons related to each other within the fourth degree of kindred according to the rules of the civil law or their spouses or estates, may be holding two permits for each of not more than three shareholders who are actively engaged in the business of logging or who are the spouses of persons who are actively engaged in the business of logging with that corporation."

Page 6, line 27, delete "10" and insert "11"

Page 6, line 30, strike "dead, down and mature"

Page 8, line 7, strike "green standing,"

Page 8, line 8, strike "dead, down, dying, insect infected or diseased"

Page 9, after line 23, insert:

"Sec. 12. [EXTENSION OF CERTAIN PERMITS.]

The commissioner of natural resources may extend, for an additional period of not to exceed one year, any timber permit issued pursuant to Minnesota Statutes, Section 90.191, which expires during 1981. This extension shall be in addition to any extension previously granted pursuant to section 90.191, shall be made without additional charge, and shall otherwise be subject to the requirements of section 90.191."

Page 9, line 24, delete "11" and insert "13"

Page 9, delete lines 25 and 26 and insert:

"Sections 2 and 12 are effective the day following final enactment. The remaining sections of this act are effective July 1, 1981."

Amend the title as follows:

Page 1, line 4, delete "special" and insert "intermediate"

Page 1, line 6, delete "sale" and insert "permitting extension of certain timber permits; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.041, by adding a subdivision; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.161, Subdivision 1; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90."

Page 1, delete lines 7 to 12

And when so amended H. F. No. 936 will be identical to S. F. No. 1076, and further recommends that H. F. No. 936 be given its second reading and substituted for S. F. No. 1076, 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, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 774, 1065, 1044, and 636 for comparison with 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.
774	1292				
1065	1160				
1044	613				
636	764				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 774 be amended as follows:

Page 1, line 16, strike "such" and insert "the"

Page 1, line 17, strike "such" and insert "the"

Page 1, line 21, delete the new language

Page 1, delete lines 22 to 24

Page 1, line 25, strike "so"

Page 2, line 3, before "A" insert "However,"

Page 2, line 4, after "in" insert "civil"

Page 2, line 5, delete the comma and "only"

Page 2, line 9, delete "good cause exists" and insert "to compel disclosure"

Page 2, line 12, delete the new language after the period

Page 2, delete line 13

Page 2, line 23, strike "such" and insert "the"

Page 2, line 23, before "prosecuting" insert "investigating, petitioning, or"

Page 2, line 25, before "prosecuting" insert "investigating, petitioning, or"

Page 2, line 25, delete "or investigating"

Page 2, line 27, delete "investigation or", strike "litigation" and insert "investigation, petition, or prosecution"

Page 2, line 31, delete "15.17", strike ", and" and insert "15.1699."

Page 2, line 34, strike "only"

Page 2, line 36, after "sheriff" insert "only"

Page 3, line 1, delete the comma

Page 3, line 5, reinstate "as follows:"

Amend the title as follows:

Page 1, lines 2 and 3, delete "confidentiality of records of"

Page 1, line 3, delete the comma

Page 1, line 4, delete "allowing for sharing of records" and insert "allow-

ing courts to compel testimony”

And when so amended H. F. No. 774 will be identical to S.F. No. 1292, and further recommends that H. F. No. 774 be given its second reading and substituted for S. F. No. 1292, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1065 be amended as follows:

Page 3, line 33, after “*section*” insert a comma

Page 4, line 8, after “*subscribers*” delete “*or spouses of subscribers*”

And when so amended H. F. No. 1065 will be identical to S.F. No. 1160, and further recommends that H. F. No. 1065 be given its second reading and substituted for S. F. No. 1160, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1044 be amended as follows:

Page 2, line 17, delete “*American*”

Page 2, line 17, after “*exists*” insert “*in the United States*”

And when so amended H. F. No. 1044 will be identical to S.F.No. 613, and further recommends that H. F. No. 1044 be given its second reading and substituted for S. F. No. 613, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 636 be amended as follows:

Page 1, after the enacting clause, insert:

“Section 1. Minnesota Statutes 1980, Section 268.04, Subdivision 2, is amended to read:

Subd. 2. “Base period” means the period of fifty-two calendar weeks immediately preceding the first day of an individual’s benefit year. Provided, however, that if a claimant received weekly worker’s compensation for temporary total disability under the provisions of chapter 176 or under a similar law of the United States *or of the several states* for more than seven weeks within the base period, as heretofore defined, his base period shall be lengthened by the number of such weeks, but not to exceed 52 weeks, for which he received such payments; provided further, that no extended base period shall include wage credits upon which benefits were established and paid with respect to a prior valid claim.”

Page 1, line 7, delete “Section 1” and insert “Sec. 2”

Page 2, line 27, after “earnings” reinstate the stricken comma

Page 2, line 27, after “~~including~~” insert “*excluding*”

Page 2, line 27, reinstate “holiday pay,”

Page 2, line 28, after the period, delete the new language

Page 2, delete line 29

Page 2, after line 34, insert:

“Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective retroactively to January 1, 1980, and applies to claims for benefits filed on and after that date. Section 2 is effective for claims filed after August 1, 1981.”

Amend the title as follows:

Page 1, line 2, delete “requiring” and insert “clarifying the provisions extending the base period in cases of the receipt of certain workers’ compensation benefits; providing that”

Page 1, line 3, delete “to”

Page 1, line 4, delete “Section” and insert “Sections 268.04, Subdivision 2; and”

And when so amended H. F. No. 636 will be identical to S.F. No. 764, and further recommends that H. F. No. 636 be given its second reading and substituted for S. F. No. 764, 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, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 619 for comparison with 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.
619	602				

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. Spear from the Committee on Public Employees and Pensions, to which was referred the following appointment as reported in the Journal for February 16, 1981:

**STATE BOARD OF INVESTMENT
EXECUTIVE SECRETARY**

Jonathan P. White

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 738, 1237, 1018, 1152, 1205, 440, 635 and 150 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 673, 936, 774, 1065, 1044, 636 and 619 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Merriam moved that the name of Mr. Dicklich be added as co-author to S. F. No. 766. The motion prevailed.

Mr. Willet moved that H. F. No. 70 be withdrawn from the Committee on Finance and laid on the table. The motion prevailed.

Mr. Tennessen moved that S. F. No. 568 be taken from the table. The motion prevailed.

S. F. No. 568: A bill for an act relating to financial institutions; permitting banks to make adjustable-rate mortgage loans; proposing new law coded in Minnesota Statutes, Chapter 48.

Mr. Tennessen moved that S. F. No. 568 be placed at the top of General Orders. The motion prevailed.

Mr. Knoll moved that H. F. No. 969 be taken from the table. The motion prevailed.

H. F. No. 969: A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, Subdivision 2.

Mr. Knoll moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 969, 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.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D., moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

CALENDAR

S. F. No. 376: A bill for an act relating to taxation; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions and requiring use of combined worldwide income; eliminating the use of the arithmetic average allocation formula for major oil companies;

amending Minnesota Statutes 1980, Sections 290.01, by adding a subdivision; 290.09, Subdivision 1; 290.091; 290.19, Subdivision 1; and 290.21, Subdivision 4.

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

The question as taken on the passage of the bill.

Mr. Ashbach moved that those not voting be excused from voting. The motion did not prevail.

Mr. Ashbach moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 35 and nays 27, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Luther	Pehler	Stern
Chmielewski	Hughes	Menning	Penny	Stokowski
Dahl	Johnson	Merriam	Peterson, C.C.	Stumpf
Davies	Kroening	Moe, D. M.	Setzepfandt	Vega
Dicklich	Langseth	Moe, R. D.	Sikorski	Waldorf
Dieterich	Lantry	Nelson	Solon	Wegener
Frank	Lessard	Olhoft	Spear	Willett

Those who voted in the negative were:

Ashbach	Bertram	Keefe	Petty	Sieloff
Bang	Brataas	Knutson	Pillsbury	Taylor
Belanger	Davis	Kronebusch	Ramstad	Ulland
Benson	Engler	Lindgren	Renneke	
Berg	Frederick	Peterson, D.L.	Rued	
Bernhagen	Frederickson	Peterson, R.W.	Schmitz	

So the bill passed and its title was agreed to.

H. F. No. 912: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 144.125; 144.653, Subdivision 1; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 176.011, Subdivision 11a; 179.68, Sub-

division 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256B.15; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 485.14; 508.37, by adding a subdivision; 518.155; 518.66; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; Laws 1980, Chapter 614, Section 163; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapters 528 and 556; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 508.37, Subdivision 1; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, section 8.

Was read the third time 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 22, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Menning	Peterson, C. C.	Stern
Bertram	Hughes	Merriam	Peterson, R. W.	Stokowski
Chmielewski	Johnson	Moe, D. M.	Petty	Stumpf
Dahl	Knoll	Moe, R. D.	Schmitz	Tennessen
Davies	Langseth	Nelson	Setzepfandt	Vega
Dicklich	Lantry	Olhoft	Sikorski	Waldorf
Dieterich	Lessard	Pehler	Solon	Wegener
Frank	Luther	Penny	Spear	Willet

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Pillsbury	Taylor
Bang	Brataas	Keefe	Ramstad	Ulland
Belanger	Davis	Knutson	Renneke	
Benson	Engler	Kronebusch	Rued	
Berg	Frederick	Peterson, D.L.	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 1218: A bill for an act relating to education; extending due dates for plans and reports relating to the statewide education management information system; authorizing the state board to perform certain duties according to specified criteria in the absence of rules; amending Minnesota Statutes 1980, Sections 121.931, Subdivisions 3, 4 and 7; and 121.938, 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 6, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, R.W.	Stern
Belanger	Frank	Lessard	Petty	Stokowski
Berg	Frederick	Luther	Pillsbury	Stumpf
Berglin	Frederickson	Menning	Ramstad	Taylor
Bernhagen	Hanson	Merriam	Renneke	Tennessee
Brataas	Hughes	Moe, D.M.	Rued	Ulland
Chmielewski	Johnson	Moe, R.D.	Schmitz	Vega
Dahl	Keefe	Nelson	Setzepfandt	Waldorf
Davis	Knoll	Olhoft	Sieloff	Wegener
Davis	Kroening	Pehler	Sikorski	Willet
Dicklich	Kronebusch	Penny	Solon	
Dieterich	Langseth	Peterson, C.C.	Spear	

Those who voted in the negative were:

Bang	Bertram	Knutson	Lindgren	Peterson, D.L.
Benson				

So the bill passed and its title was agreed to.

S. F. No. 724: A bill for an act relating to game and fish; altering requirements for taking and possession; prescribing requirements for carrying and use of firearms and ammunition; prescribing penalties; amending Minnesota Statutes 1980, Sections 97.4841, Subdivision 2; 98.45, Subdivision 1; 98.46, Subdivisions 2 and 14; 98.47, Subdivision 7; 98.52, Subdivision 1; 99.27, Subdivision 1; and 100.29, Subdivisions 3 and 9; repealing Minnesota Statutes 1980, Section 101.42, 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frank	Knutson	Menning
Bang	Chmielewski	Frederick	Kroening	Merriam
Belanger	Dahl	Frederickson	Kronebusch	Moe, D. M.
Benson	Davies	Hanson	Langseth	Moe, R. D.
Berg	Davis	Hughes	Lantry	Nelson
Berglin	Dicklich	Johnson	Lessard	Olhoft
Bernhagen	Dieterich	Keefe	Lindgren	Pehler
Bertram	Engler	Knoll	Luther	Penny

Peterson, C. C.	Ramstad	Sieloff	Stokowski	Vega
Peterson, D. L.	Renneke	Sikorski	Stumpf	Waldorf
Peterson, R. W.	Rued	Solon	Taylor	Wegener
Petty	Schmitz	Spear	Tennessen	Willet
Pillsbury	Setzepfandt	Stern	Ulland	

So the bill passed and its title was agreed to.

H. F. No. 1344: A bill for an act relating to education; authorizing school boards to permit certain persons to enroll in classes and programs at a secondary school; providing for class fees in certain circumstances; prohibiting districts from counting certain persons enrolled in classes and programs for the purposes of state aid; authorizing districts to provide transportation; increasing the administration fee when senior citizens attend classes at higher education institutions; amending Minnesota Statutes 1980, Sections 123.35, by adding subdivisions; 123.39, by adding a subdivision; and 136A.81, 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Solon
Bang	Dieterich	Langseth	Peterson, C. C.	Spear
Belanger	Engler	Lantry	Peterson, D. L.	Stern
Benson	Frank	Lessard	Peterson, R. W.	Stokowski
Berg	Frederick	Lindgren	Petty	Stumpf
Berglin	Frederickson	Luther	Pillsbury	Taylor
Bernhagen	Hanson	Menning	Ramstad	Tennessen
Bertram	Hughes	Merriam	Renneke	Ulland
Brataas	Johnson	Moe, D. M.	Rued	Vega
Chmielewski	Keefe	Moe, R. D.	Schmitz	Waldorf
Dahl	Knoll	Nelson	Setzepfandt	Wegener
Davies	Knutson	Olhoft	Sieloff	Willet
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

S. F. No. 429: A bill for an act relating to public safety; regulating boilers, other apparatus and their operators; providing penalties; amending Minnesota Statutes 1980, Sections 183.375, Subdivision 2; 183.38; 183.39, Subdivision 1; 183.41, Subdivision 2; 183.411, Subdivision 3; 183.42; 183.44; 183.45; 183.46; 183.465; 183.48; 183.50; 183.51; 183.52; 183.53; 183.54; 183.545; 183.56; 183.57; 183.59; 183.60; 183.61; 183.62; and proposing new law coded in Minnesota Statutes, Chapter 183; repealing Minnesota Statutes 1980, Section 183.39, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frank	Knutson	Menning
Bang	Chmielewski	Frederick	Kroening	Merriam
Belanger	Dahl	Frederickson	Kronebusch	Moe, D. M.
Benson	Davies	Hanson	Langseth	Moe, R. D.
Berg	Davis	Hughes	Lantry	Nelson
Berglin	Dicklich	Johnson	Lessard	Olhoft
Bernhagen	Dieterich	Keefe	Lindgren	Pehler
Bertram	Engler	Knoll	Luther	Penny

Peterson, C. C.	Purfeerst	Setzepfandt	Stern	Ulland
Peterson, D. L.	Ramstad	Sieloff	Stokowski	Vega
Peterson, R. W.	Renneke	Sikorski	Stumpf	Waldorf
Petty	Rued	Solon	Taylor	Wegener
Pillsbury	Schmitz	Spear	Tennessen	Willet

So the bill passed and its title was agreed to.

S. F. No. 984: A bill for an act relating to game and fish; increasing game and fish licenses and other fees; including resident alien in the definition of resident for purposes of game and fish licenses; requiring the commissioner of natural resources to submit a license consolidation and elimination proposal to the legislature; amending Minnesota Statutes 1980, Sections 97.40, Subdivision 21; 98.45, Subdivision 6; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, and 19, and by adding a subdivision; 100.35, Subdivisions 1 and 5; and 101.44; proposing new law coded in Minnesota Statutes, Chapter 97; repealing Minnesota Statutes 1980, Section 99.28, 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 55 and nays 10, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Langseth	Penny	Sieloff
Benson	Frank	Lantry	Peterson, C. C.	Sikorski
Berg	Frederick	Lessard	Peterson, D. L.	Solon
Bernhagen	Frederickson	Lindgren	Peterson, R. W.	Spear
Bertram	Hanson	Luther	Petty	Stern
Brataas	Hughes	Menning	Pillsbury	Stokowski
Chmielewski	Keefe	Merriam	Ramstad	Stumpf
Dahl	Knoll	Moe, D. M.	Renneke	Taylor
Davies	Knutson	Moe, R. D.	Rued	Tennessen
Davis	Kroening	Nelson	Schmitz	Ulland
Dieterich	Kronebusch	Olhoft	Setzepfandt	Waldorf

Those who voted in the negative were:

Ashbach	Berglin	Johnson	Purfeerst	Wegener
Bang	Dicklich	Pehler	Vega	Willet

So the bill passed and its title was agreed to.

H. F. No. 357: A bill for an act relating to highway traffic regulation; authorizing and regulating the use of strobe lamps on school buses; correcting the applicability provision of a school bus law; authorizing and regulating flashing signals or school bus stop signal arms; imposing standards for the signal arms; restricting the meaning of "type three school bus"; prohibiting a type three school bus from being equipped and identified as certain other school buses; amending Minnesota Statutes 1980, Sections 169.44, Subdivisions 3 and 10, and by adding subdivisions; 169.64, 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 53 and nays 10, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Lessard	Petty	Stokowski
Benson	Hanson	Lindgren	Pillsbury	Stumpf
Berglin	Hughes	Luther	Purfeerst	Taylor
Chmielewski	Johnson	Menning	Ramstad	Tennessen
Dahl	Keefe	Merriam	Renneke	Ulland
Davies	Knoll	Moe, R.D.	Schmitz	Vega
Davis	Knutson	Nelson	Sieloff	Waldorf
Dicklich	Kroening	Olhoft	Sikorski	Wegener
Dieterich	Kronebusch	Penny	Solon	Willet
Engler	Langseth	Peterson, C.C.	Spear	
Frank	Lantry	Peterson, R.W.	Stern	

Those who voted in the negative were:

Ashbach	Bernhagen	Brataas	Moe, D.M.	Peterson, D.L.
Bang	Bertram	Frederick	Pehler	Rued

So the bill passed and its title was agreed to.

S. F. No. 1212: A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

Was read the third time 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 5, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Lantry	Peterson, D.L.	Solon
Bang	Dicklich	Lessard	Peterson, R.W.	Spear
Belanger	Dieterich	Lindgren	Petty	Stern
Benson	Engler	Luther	Pillsbury	Stumpf
Berg	Frederick	Menning	Purfeerst	Taylor
Berglin	Hanson	Moe, D.M.	Ramstad	Tennessen
Bernhagen	Hughes	Moe, R.D.	Renneke	Ulland
Bertram	Keefe	Nelson	Rued	Vega
Brataas	Knoll	Olhoft	Schmitz	Waldorf
Chmielewski	Knutson	Pehler	Setzepfandt	Wegener
Dahl	Kroening	Penny	Sieloff	Willet
Davies	Langseth	Peterson, C.C.	Sikorski	

Those who voted in the negative were:

Frank	Frederickson	Johnson	Kronebusch	Merriam
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So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mrs. Stokowski in the chair.

After some time spent therein, the committee arose, and Mrs. Stokowski reported that the committee had considered the following:

S. F. Nos. 941, 980, 1243 and H. F. Nos. 386, 14 and 6, which the committee recommends to pass.

H. F. No. 192, which the committee recommends to pass, subject to the following motion:

Mr. Vega moved that the amendment made to H. F. No. 192 by the Committee on Rules and Administration in the report adopted April 29, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 732, which the committee recommends to pass with the following amendment offered by Mr. Frederickson:

Amend H. F. No. 732, as amended pursuant to Rule 49, adopted by the Senate April 29, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1075.)

Page 1, line 14, after the first "tenant" insert "between March 2 and the following October 31"

The motion prevailed. So the amendment was adopted.

H. F. No. 817, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 2, line 16, after "limited" insert " , provided that teams or events are provided for each sex to the extent necessary to accommodate the demonstrated interest of each sex to participate in wrestling"

The motion prevailed. So the amendment was adopted.

H. F. No. 691, which the committee recommends to pass with the following amendments offered by Mrs. Brataas and Mr. Sieloff:

Mrs. Brataas moved to amend H. F. No. 691, as amended pursuant to Rule 49, adopted by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1211.)

Page 1, line 16, delete "registered professional" and insert "court"

Page 2, line 6, delete "registered"

Page 2, line 7, delete "professional" and insert "court"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H. F. No. 691, as amended pursuant to Rule 49, adopted by the Senate May 1, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1211.)

Page 1, lines 15 and 16, delete "may, in its discretion," and insert "must"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 17, as follows:

Those who voted in the affirmative were:

Bang	Davis	Johnson	Lessard	Renneke
Belanger	Dicklich	Keefe	Lindgren	Schmitz
Benson	Dieterich	Knoll	Peterson, C.C.	Sieloff
Berg	Engler	Kroening	Petty	Vega
Berglin	Frank	Kronebusch	Purfeerst	Waldorf
Dahl	Frederickson	Lantry	Ramstad	

Those who voted in the negative were:

Ashbach	Frederick	Moe, R.D.	Pillsbury	Willet
Bernhagen	Hughes	Nelson	Rued	
Brataas	Menning	Penny	Taylor	
Davies	Merriam	Peterson, D.L.	Tennessee	

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass H. F. No. 691.

The roll was called, and there were yeas 25 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Hughes	Nelson	Rued
Benson	Davies	Langseth	Olhoff	Schmitz
Berg	Engler	Luther	Peterson, D.L.	Taylor
Bernhagen	Frederick	Menning	Pillsbury	Tennessee
Brataas	Frederickson	Merriam	Ramstad	Waldorf

Those who voted in the negative were:

Belanger	Keefe	Lessard	Petty	Stern
Dicklich	Knoll	Lindgren	Purfeerst	Stokowski
Dieterich	Kroening	Moe, R. D.	Renneke	Vega
Frank	Kronebusch	Penny	Sieloff	Willet
Johnson	Lantry	Peterson, C.C.	Sikorski	

The motion prevailed. So H. F. No. 691 was recommended to pass.

H. F. No. 276, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Page 2, after line 27, insert:

“Sec. 2. Minnesota Statutes 1980, Section 480.0595, is amended to read:
480.0595 [JUVENILE COURT RULES.]

The supreme court shall promulgate rules to regulate the pleadings, practice, procedure and the forms thereof in juvenile proceedings in all juvenile courts of the state in accordance with the provisions of section 480.059, except with respect to the composition of the advisory committee. The rules shall be published and distributed to the judiciary and attorneys of the state on or before September 1, ~~1981~~ 1982.”

Amend the title as follows:

Page 1, line 5, delete “Section” and insert “Sections” and before the period, insert “; and 480.0595”

The motion prevailed. So the amendment was adopted.

S. F. No. 118, which the committee recommends to pass after the following motions:

Mr. Waldorf moved to amend S. F. No. 118 as follows:

Page 1, after line 22, insert:

“Subd. 3. [PETTY MISDEMEANOR.] *Whoever uses tobacco or tobacco related devices and is under the age of 18 years is guilty of a petty misdemeanor.*”

Amend the title as follows:

Page 1, line 4, after "using" insert "tobacco or"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 17, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lindgren	Purfeerst	Ulland
Belanger	Frank	Luther	Renneke	Vega
Benson	Hughes	Menning	Rued	Waldorf
Berg	Johnson	Moe, R. D.	Schmitz	Willet
Bertram	Kroening	Olhoft	Sieloff	
Chmielewski	Kronebusch	Pehler	Sikorski	
Dieterich	Langseth	Peterson, C.C.	Taylor	

Those who voted in the negative were:

Brataas	Keefe	Merriam	Ramstad	Wegener
Davies	Knoll	Moe, D. M.	Spear	
Davis	Lantry	Nelson	Stern	
Dicklich	Lessard	Pillsbury	Stumpf	

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S. F. No. 118 as follows:

Page 1, line 22, after "a" insert "petty"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 7 and nays 50, as follows:

Those who voted in the affirmative were:

Bang	Engler	Petty	Sieloff	Spear
Berglin	Moe, D. M.			

Those who voted in the negative were:

Benson	Frederick	Langseth	Pehler	Setzepfandt
Berg	Frederickson	Lantry	Penny	Sikorski
Bernhagen	Hanson	Lessard	Peterson, C.C.	Stokowski
Bertram	Hughes	Lindgren	Peterson, D.L.	Stumpf
Brataas	Johnson	Luther	Peterson, R.W.	Taylor
Chmielewski	Keefe	Menning	Pillsbury	Ulland
Davies	Knoll	Merriam	Purfeerst	Vega
Davis	Knutson	Moe, R. D.	Ramstad	Waldorf
Dieterich	Kroening	Nelson	Renneke	Wegener
Frank	Kronebusch	Olhoft	Schmitz	Willet

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

H. F. No. 562, which the committee reports progress, subject to the following motion:

Mr. Purfeerst moved to amend H. F. No. 562, the unofficial engrossment, as follows:

Page 6, line 17, delete "in packages"

The motion prevailed. So the amendment was adopted.

H. F. No. 562 was then progressed.

H. F. No. 2, which the committee recommends to pass with the following

amendment offered by Mr. Waldorf:

Amend H. F. No. 2, the unofficial engrossment, as follows:

Page 6, line 4, delete "*with force or violence*"

Page 6, line 5, after "*degree*" insert "*with force or violence*"

The motion prevailed. So the amendment was adopted.

On motion of Mrs. Stokowski, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

RECESS

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

H. F. No. 1052: Messrs. Olhoft, Setzepfandt and Rued.

H. F. No. 157: Ms. Berglin, Messrs. Dicklich and Benson.

H. F. No. 969: Messrs. Knoll, Knutson and Luther.

H. F. No. 582: Messrs. Merriam, Lessard and Bernhagen.

H. F. No. 1446: Messrs. Sikorski, Knutson, Spear, Solon and Ms. Berglin.

H. F. No. 1434: Messrs. Menning, Purfeerst, Renneke, Stumpf and Pillsbury.

H. F. No. 1421: Messrs. Nelson, Willet, Penny, Tennessen and Keefe.

H. F. No. 1443: Messrs. Luther, Willet, Humphrey, Knoll and Ashbach.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the order of Business of Introduction and First Reading of Senate Bills. 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. Dahl; Merriam; Peterson, R.W.; Dicklich and Mrs. Kronebusch introduced—

S.F. No. 1403: A bill for an act relating to mobile homes; requiring mobile home park owners to provide ground anchoring systems and storm shelters; authorizing the establishment of a loan program to help finance the cost of

these improvements; prescribing rules; appropriating money; amending Minnesota Statutes 1980, Sections 327.20, by adding subdivisions; 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.

Referred to the Committee on Commerce.

Mrs. Brataas, Messrs. Merriam and Ramstad introduced—

S.F. No. 1404: A bill for an act relating to crimes; authorizing counties to establish crime victim service funds and coordinating committees on victim assistance; requiring the commissioner of corrections to develop a model victim service plan; providing for a penalty assessment on convicted persons; proposing new law coded in Minnesota Statutes, Chapter 241.

Referred to the Committee on Health, Welfare and Corrections.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:30 p.m. The motion prevailed.

The hour of 7:30 p.m. having arrived, the President called the Senate to order.

MEMBERS EXCUSED

Mr. Humphrey was excused from this evening's Session.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Chmielewski moved that S. F. No. 33 be withdrawn from the Committee on Transportation and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Chmielewski moved that H. F. No. 161 be withdrawn from the Committee on Transportation and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 811 be stricken from General Orders and returned to the Committee on Veterans' Affairs. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Waldorf in the chair.

After some time spent therein, the committee arose, and Mr. Waldorf reported that the committee had considered the following:

S. F. Nos. 1084, 1262, 1323, 1079 and H. F. Nos. 921 and 142, which the committee recommends to pass.

S. F. No. 809, which the committee recommends be returned to the Committee on Agriculture and Natural Resources.

H. F. No. 126, which the committee recommends to pass with the following amendment offered by Mr. Menning:

Amend H. F. No. 126, as amended pursuant to Rule 49, adopted by the Senate April 30, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 415.)

Page 2, after line 14, insert:

“Sec. 2. [MURRAY COUNTY DITCHES.]

Pursuant to agreement under Minnesota Statutes, Section 471.59, Murray County may delegate to the city of Slayton all or part of its powers and duties relating to all or part of any county ditch. The city may exercise any of the delegated powers within or outside the city in the same manner as the county.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing bodies of Murray County and the city of Slayton.”

Amend the title as follows:

Page 1, line 5, after the semicolon, insert “permitting Murray County and the city of Slayton to enter an agreement for the administration of county ditches;”

The motion prevailed: So the amendment was adopted.

S. F. No. 728, which the committee reports progress, subject to the following motion:

Mr. Kroening moved to amend S.F. No. 728 as follows:

Delete everything after the enacting clause and insert:

“Section 1. [BIG FALLS, TOWN OF; DETACHED BANKING FACILITY; AUTHORIZATION.]

With the prior approval of the commissioner of banks, any bank doing business within 35 miles of the town of Big Falls in Koochiching County may establish and maintain not more than one detached facility. Any bank desiring to establish a detached facility shall follow the approval procedure prescribed in Minnesota Statutes, Section 47.54. The establishment of a detached facility in the town of Big Falls shall be subject to the provisions of Minnesota Stat 0113 utes, Sections 47.51 to 47.57 except insofar as inconsistent with this section.

Sec. 2. [LOCAL APPROVAL.]

This act takes effect when approved by the town board of the town of Big Falls and upon compliance with Minnesota Statutes, Section 645.021.”

Amend the title as follows:

Delete lines 2 to 5 and insert:

“relating to the city of Big Falls; authorizing the establishment of detached banking facilities.”

The motion prevailed. So the amendment was adopted.

S. F. No. 728 was then progressed.

H.F. No. 217, which the committee recommends to pass, subject to the following motion:

Mr. Berg moved that the amendment made to H.F. No. 217 by the Committee on Rules and Administration in the report adopted May 1, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 473, which the committee recommends to pass after the following motions:

Mr. Dahl moved to amend H.F. No. 473, the unofficial engrossment, as follows:

Page 1, line 14, delete "16 U.S.C. Section 2601" and insert "Pub.L. 95-617, 92 Stat. 3117,"

Page 1, line 15, delete "et seq."

Page 1, line 16, delete "Section" and insert "Part"

Page 1, line 16, delete "et seq." and insert a comma

The motion prevailed. So the amendment was adopted.

Mr. Dahl then moved to amend H. F. No. 473, the unofficial engrossment, as follows:

Page 1, line 23, before "energy" insert "net"

Page 1, line 25, before "input" insert "net"

Page 2, line 6, before "input" insert "net"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 39 and nays 13, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Lindgren	Peterson, C.C.	Stern
Bertram	Johnson	Luther	Peterson, R.W.	Stokowski
Dahl	Knoll	Menning	Petty	Stumpf
Davies	Kroening	Merriam	Purfeerst	Taylor
Davis	Kronebusch	Moe, R. D.	Schmitz	Vega
Dicklich	Langseth	Olhoft	Setzepfand	Waldorf
Dieterich	Lantry	Pehler	Sikorski	Willet
Hanson	Lessard	Penny	Spear	

Those who voted in the negative were:

Belanger	Chmielewski	Frederickson	Renneke	Tennessee
Benson	Engler	Keefe	Rued	
Bernhagen	Frank	Peterson, D.L.	Sieloff	

The motion prevailed. So the amendment was adopted.

Mr. Frederickson moved to amend H. F. No. 473, the unofficial engrossment, as follows:

Page 2, line 2, after the period, insert "The commission shall set these rates based on avoided costs as defined in 18 CFR Section 292.101(b)(6) and taking

into account the factors listed in 18 CFR Section 292.304(e).”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 34, as follows:

Those who voted in the affirmative were:

Bang	Engler	Frederickson	Peterson, D.L.	Renneke
Belanger	Frank	Keefe	Pillsbury	Rued
Benson	Frederick	Knutson	Ramstad	Ulland
Berglin				

Those who voted in the negative were:

Chmielewski	Hughes	Luther	Peterson, C.C.	Spear
Dahl	Johnson	Menning	Peterson, R.W.	Stern
Davies	Kroening	Moe, R. D.	Petty	Stokowski
Davis	Langseth	Nelson	Purfeerst	Vega
Dicklich	Lantry	Olhoft	Schmitz	Waldorf
Dieterich	Lessard	Pehler	Setzepfandt	Willet
Hanson	Lindgren	Penny	Sikorski	

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

The question was taken on the recommendation to pass H. F. No. 473.

The roll was called, and there were yeas 44 and nays 15, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Luther	Peterson, R.W.	Stokowski
Bertram	Hughes	Menning	Petty	Stumpf
Chmielewski	Johnson	Merriam	Purfeerst	Taylor
Dahl	Knoll	Moe, R. D.	Ramstad	Tennessen
Davies	Kroening	Nelson	Schmitz	Ulland
Davis	Kronebusch	Olhoft	Sieloff	Vega
Dicklich	Langseth	Pehler	Sikorski	Waldorf
Dieterich	Lantry	Penny	Spear	Willet
Frank	Lindgren	Peterson, C.C.	Stern	

Those who voted in the negative were:

Belanger	Bernhagen	Frederick	Knutson	Renneke
Benson	Brataas	Frederickson	Peterson, D.L.	Rued
Berg	Engler	Keefe	Pillsbury	Setzepfandt

The motion prevailed. So H. F. No. 473 was recommended to pass.

H. F. No. 562, which the committee recommends to pass with the following amendment offered by Mr. Berg:

Page 17, after line 16, insert:

“Sec. 20. Minnesota Statutes 1980, Section 169.81, Subdivision 10, is amended to read:

Subd. 10. [PICKUP TRUCKS; LIMITATION ON DRAWING TRAILERS.] Notwithstanding any other provision of this section or any other law to the contrary, a pickup truck used primarily in the production or transportation of *liquid fertilizer, anhydrous ammonia, or any agricultural commodity as defined in section 17.53, subdivision 2*, may draw not to exceed two empty trailers when the resulting combination does not exceed the size and weight limitations otherwise prescribed by law. A pickup truck when drawing two

trailers shall not be operated on the highways of this state beyond a 35 mile radius of the home post office of the owner of the pickup truck nor at a speed exceeding 35 miles per hour."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the first semicolon, insert "regulating the transportation of certain fertilizer materials;"

Page 1, line 9, after the second semicolon, insert "169.81, Subdivision 10;"

The motion prevailed. So the amendment was adopted.

H. F. No. 182, which the committee recommends to pass after the following motions:

Mr. Spear moved to amend H. F. No. 182, the unofficial engrossment, as follows:

Page 10, line 11, after the period, insert "The lien may be taken only for the amount of the loan exceeding \$3,000 and shall be extinguished when the amount of the principal balance outstanding on the loan is \$3,000 or less."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 36, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Langseth	Sikorski	Stumpf
Dahl	Johnson	Luther	Spear	Vega
Dieterich	Kroening	Moe, R. D.	Stokowski	Waldorf
Frank				

Those who voted in the negative were:

Bang	Davies	Kronebusch	Peterson, D.L.	Stern
Belanger	Davis	Lantry	Peterson, R.W.	Taylor
Benson	Engler	Lessard	Petty	Tennessen
Berg	Frederick	Merriam	Purfeerst	Ulland
Bernhagen	Frederickson	Nelson	Ramstad	
Bertram	Humphrey	Olhoft	Renneke	
Brataas	Keefe	Pehler	Rued	
Chmielewski	Knutson	Peterson, C.C.	Sieloff	

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

Mr. Luther moved to amend H.F. No. 182, the unofficial engrossment, as follows:

Page 15, line 18, before the colon, insert " ; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater"

The motion prevailed. So the amendment was adopted.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Wednesday, May 6, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-EIGHTH DAY

St. Paul, Minnesota, Wednesday, May 6, 1981

The Senate met at 1:00 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Robert Babbitt.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessen
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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. Solon was excused from the Session of today from 2:30 to 3:15 p.m.
Mr. Willet was excused from the Session of today from 2:30 to 4:00 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 4, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	339	77	May 4	May 4
	480	78	May 4	May 4
	569	79	May 4	May 4
	708	80	May 4	May 4
	847	81	May 4	May 4
	876	82	May 4	May 4
	1178	83	May 4	May 4
	1237	84	May 4	May 4
	1269	85	May 4	May 4
200		86	May 4	May 4
225		87	May 4	May 4
249		88	May 4	May 4
353		89	May 4	May 4
372		90	May 4	May 4
375		91	May 4	May 4
520		92	May 4	May 4
741		93	May 4	May 4
760		94	May 4	May 4

Sincerely,

Joan Anderson Growe
Secretary of State

CERTIFICATION

May 4, 1981

To the Senate
State of Minnesota

To the House of Representatives
State of Minnesota

This is to certify that the House of Representatives and the Senate in Joint Convention on Monday, May 4, 1981, have elected as members of the Board of Regents of the University of Minnesota the following members each to hold his or her respective office for the term specified from the first Monday of February, 1981:

Willis K. Drake, Third Congressional District, six years

Verne E. Long, Sixth Congressional District, six years

Erwin L. Goldfine, Eighth Congressional District, six years

David K. Roe, At-Large, six years.

Jack Davies
President of the Senate

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

April 13, 1981

The Honorable Jack Davies
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:

Anne Ehrhardt, RR# 2, Box 90, Albert Lea, Freeborn County, has been appointed by me, effective April 13, 1981, for a term expiring the first Monday in January, 1983.

Patricia Lund, 4814 Lakeview Drive, Edina, Hennepin County, has been appointed by me, effective April 13, 1981, for a term expiring the first Monday in January, 1985.

Jean Mars, 2520 East Third Street, Duluth, St. Louis County, has been appointed by me, effective April 13, 1981, for a term expiring the first Monday in January, 1985.

Leonard Nadasdy, 5515 Lake Sarah Heights Drive, Loretto, Hennepin County, has been appointed by me, effective April 13, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on General Legislation and Administrative Rules.)

April 24, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

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

Ronald Stevens, Route 2, Box 200, Montevideo, Chippewa County, has been appointed by me, effective April 24, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Agriculture and Natural Resources.)

March 26, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

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

John Allers, 7501 2nd Avenue South, Richfield, Hennepin County, has been appointed by me, effective June 9, 1980, for a term expiring the first Monday in January, 1983.

Hy Applebaum, 290 Woodlawn Avenue, St. Paul, Ramsey County, has been appointed by me, effective June 9, 1980, for a term expiring the first Monday in January, 1984.

Gene W. Halverson, 700 Providence Building, Duluth, St. Louis County, has been appointed by me, effective June 9, 1980, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Judiciary.)

March 26, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

The following are appointed to the Board on Judicial Standards:

Judge Gerald Kalina, Dakota County Government Center, Hastings, Dakota County, has been appointed by me, effective June 9, 1980, for a term expiring the first Monday in January, 1982.

Judge Robert F. Johnson, 2283 East Fifteenth Avenue, North St. Paul, Ramsey County, has been appointed by me, effective June 9, 1980, for a term expiring the first Monday in January, 1983.

Judge Glenn E. Kelley, Box 37, Winona, Winona County, has been appointed by me, effective June 9, 1980, for a term expiring the first Monday in January, 1984.

Sincerely,

Albert H. Quie, Governor

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. 1122 and 641.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1981

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. 445: A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

Senate File No. 445 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1981

Mr. Tennesen moved that the Senate do not concur in the amendments by the House to S. F. No. 445, 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. 560: A bill for an act relating to employment; prohibiting certain cities from establishing residency requirements as a condition of employment; proposing new law coded in Minnesota Statutes, Chapter 415.

Senate File No. 560 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1981

Mr. Stumpf, for Mr. Hughes, moved that S. F. No. 560 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. 665: A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

Senate File No. 665 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1981

Mr. Penny moved that the Senate do not concur in the amendments by the House to S. F. No. 665, 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. 1247: A bill for an act relating to education; permitting districts to purchase insurance coverage for the operation of leased buses in certain circumstances; amending Minnesota Statutes 1980, Section 123.39, Subdivisions 8 and 9 and by adding a subdivision.

Senate File No. 1247 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1981

Mr. Willet moved that S. F. No. 1247 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. 534, 586, 1185, 616 and 1247.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 5, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 534: A bill for an act relating to the collection and dissemination of data; administration of the state archives and state and local government records; classifying data; providing a penalty; amending Minnesota Statutes 1980, Sections 15.17; 138.161; 138.17, Subdivisions 1, 6, 7, and by adding subdivisions; 138.19; 138.20; 138.21; proposing new law coded in Minnesota Statutes, Chapter 138; repealing Minnesota Statutes 1980, Sections 16.66 and 138.18.

Referred to the Committee on Judiciary.

H. F. No. 586: A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 941, now on General Orders.

H. F. No. 1185: A bill for an act relating to highways; modifying restrictions on the loading of vehicles driven on the highways; amending Minnesota Statutes 1980, Section 169.81, Subdivision 5.

Referred to the Committee on Transportation.

H. F. No. 616: A bill for an act relating to commerce; requiring that consumer contracts be written in clear and coherent language; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 325G.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1017, now on General Orders.

H. F. No. 1247: A bill for an act relating to elections; fixing the majority necessary to approve an amendment to a home rule charter; amending Minnesota Statutes 1980, Section 410.12, Subdivision 4.

Referred to the Committee on Local Government and Urban Affairs.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S. F. No. 1393: A bill for an act relating to taxation; appropriating money for state payments to local units of government; limiting the amount of homestead credits; limiting local levies; imposing additional income taxes on individuals, estates, trusts, and corporations; limiting certain deductions; redefining the method for inflation proofing brackets, credits, and deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; allowing deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the permissible levy for school districts to 23 mills; providing for a one year suspension of the penalty for school district underlevy; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 124.212, by adding a subdivision; 270.75; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivision 15a; 273.136, Subdivision 3; 273.138, Subdivision 5; 273.139, Subdivision 3; 275.125, Subdivision 2a; 275.50, Subdivision 2; 275.51, Subdivision 1 and by adding subdivisions; 275.55; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding subdivisions; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10, and 15; 290.10; 290.18, Subdivision 2, and by adding a subdivision; 290A.03, Subdivision 8; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 477A.01, Subdivision 4b; 477A.03; 477A.13; proposing new law coded in Minnesota Statutes, Chapters 275 and 295; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4, and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59 and 291.33.

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

Page 39, line 1, delete "*plus*" and insert a period

Page 39, delete lines 2 and 3

Page 41, after line 14, insert:

"ARTICLE V

Section 1. Minnesota Statutes 1980, Section 168.011, Subdivision 7, is amended to read:

Subd. 7. [PASSENGER AUTOMOBILE.] "Passenger automobile" means any motor vehicle designed and used for the carrying of not more than ~~eight~~ *ten* persons but excluding motorcycles, ~~and~~ motor scooters, ~~and~~ ~~station~~ *wagons*. *Passenger automobile includes pickup trucks and station wagons.*

Sec. 2. Minnesota Statutes 1980, Section 168.011, Subdivision 10, is amended to read:

Subd. 10. [TRUCK.] "Truck" means any motor vehicle designed and used for carrying things other than passengers, *but does not include a pickup truck.*

Sec. 3. Minnesota Statutes 1980, Section 168.011, Subdivision 16, is amended to read:

Subd. 16. [GROSS WEIGHT.] "Gross weight" means the actual unloaded weight of the vehicle, either a truck or tractor, or the actual unloaded combined weight of a truck-tractor and semitrailer or semitrailers, or of the truck-tractor, semitrailer and one additional semitrailer, fully equipped for service, plus the weight of the maximum load which the applicant has elected to carry on such vehicle or combined vehicles. The term gross weight applied to a truck used for towing a trailer means the unloaded weight of the truck, fully equipped for service, plus the weight of the maximum load which the applicant has elected to carry on such truck, including the weight of such part of the trailer and its load as may rest upon the truck. The term gross weight applied to school buses means the weight of the vehicle fully equipped with all fuel tanks full of fuel, plus the weight of the passengers and their baggage computed at the rate of 100 pounds per passenger seating capacity, including that for the driver. The term gross weight applied to other buses means the weight of the vehicle fully equipped with all fuel tanks full of fuel, plus the weight of passengers and their baggage computed at the rate of 150 pounds per passenger seating capacity, including that for the driver. For bus seats designed for more than one passenger, but which are not divided so as to allot individual seats for the passengers that occupy them, allow two feet of its length per passenger to determine seating capacity. The term gross weight applied to a truck, truck-tractor or a truck used as a truck-tractor used exclusively by the owner thereof for transporting unfinished forest products or used by the owner thereof to transport agricultural, horticultural, dairy and other farm products including livestock produced or finished by the owner of the truck and any other personal property owned by the farmer to whom the license for such truck is issued, from the farm to market, and to transport property and supplies to the farm of the owner, as described in subdivision 17, shall be the actual weight of the truck, truck-tractor or truck used as a truck-tractor or the combined weight of the truck-tractor and semitrailer plus the weight of the maximum load which the applicant has elected to carry on such vehicle or combined vehicles and shall be licensed and taxed as provided by section 168.013, subdivision 1c. The term gross weight applied to a truck-tractor or a truck used as a truck-tractor used exclusively by the owner thereof, or by a for hire carrier hauling for the owner, for towing an equipment dolly shall be the actual weight of the truck-tractor or truck used as a truck-tractor plus the weight of such part of the equipment dolly and its load as may rest upon the truck-tractor or truck used as a truck-tractor, and shall be licensed separately and taxed as provided by section 168.013, subdivision 1e, and the equipment dolly shall be licensed separately and taxed as provided in section 168.013, subdivision 1d, which is applicable for the balance of the weight of the equipment dolly and the balance of the maximum load the applicant has elected to carry on such combined vehicles. The term "equipment dolly" as used in this subdivision means a heavy semitrailer used solely by the owner thereof, or by a for hire carrier hauling for the owner, to transport his construction machinery, equipment, implements and other objects used on a construction project, but not to be incorporated in or to become a part of a completed project. The term gross weight applied to a wrecker defined in section 169.01, subdivision 52, means the weight of the wrecker fully equipped for service, including the weight of the crane, winch and other equipment to control the movement of a towed vehicle, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the wrecker.

Sec. 4. Minnesota Statutes 1980, Section 168.011, Subdivision 17, is amended to read:

Subd. 17. [FARM TRUCK.] "Farm truck" means all single unit trucks, truck-tractors, tractors, semitrailers, and trailers used by the owner thereof to transport agricultural, horticultural, dairy, and other farm products, including livestock, produced or finished by the owner of the truck, and any other personal property owned by the farmer to whom the license for ~~such the~~ truck is issued, from the farm to market, and to transport property and supplies to the farm of the owner. Trucks, truck-tractors, tractors, semitrailers, and trailers registered as "farm trucks" may be used by the owner thereof to occasionally transport unprocessed and raw farm products, not produced by the owner of the truck, from the place of production to market when ~~such the~~ transportation constitutes the first haul of ~~such the~~ products, and may be used by the owner thereof, either farmer or logger who harvests and hauls forest products only, to transport logs, pulpwood, lumber, chips, railroad ties and other raw and unfinished forest products from the place of production to an assembly yard or railhead when ~~such the~~ transportation constitutes the first haul thereof, provided that the owner and operator of ~~such the~~ vehicle transporting planned lumber shall have in his immediate possession a statement signed by the producer of ~~such the~~ lumber designating the governmental subdivision, section and township where ~~such the~~ lumber was produced and that this haul, indicating the date, is the first haul thereof. ~~Such~~ The licensed vehicles may also be used by the owner thereof to transport, to and from timber harvesting areas, equipment and appurtenances incidental to timber harvesting, and gravel and other road building materials for timber haul roads.

"Farm trucks" shall also include only single unit trucks, which, because of their construction, cannot be used for any other purpose and are used exclusively to transport milk and cream enroute from farm to an assembly point or place for final manufacture, and for transporting milk and cream from an assembly point to a place for final processing or manufacture. This section shall not be construed to mean that the owner or operator of ~~any such the~~ truck cannot carry on his usual accommodation services for his patrons on regular return trips, such as butter, cream, cheese, and other dairy supplies.

Sec. 5. Minnesota Statutes 1980, Section 168.011, Subdivision 25, is amended to read:

Subd. 25. [RECREATIONAL EQUIPMENT.] "Recreational equipment" means house trailers including those which telescope or fold down, chassis mounted campers, house cars, motor homes, tent trailers, slip in campers, converted buses and converted vans.

(1) House trailers, chassis mounted campers, house cars, motor homes, tent trailers, slip in campers, converted buses and converted vans are units designed and used for human living quarters and meeting the following qualifications:

- (a) Are not used as the residence of the owner or occupant.
- (b) Are used for temporary living quarters by the owner or occupant while engaged in recreational or vacation activities.
- (c) Are self propelled or towed on the public streets or highways incidental to ~~such the~~ recreational or vacation activities.

For the purposes of this subdivision, a motor home includes a unit designed to provide temporary living quarters, built into as an integral part of, or permanently attached to, a self propelled motor vehicle chassis or van that

contains a permanently installed independent life support system and provides at least four of the following facilities: cooking, refrigeration or ice box, self contained toilet, heating or air conditioning, a potable water supply system including a faucet and sink, separate 110-125 volt electrical power supply, or a liquid propane gas supply. The units include, but are not limited to, the following:

(i) A raw chassis upon which is built a driver's compartment and an entire body that provides temporary living quarters;

(ii) A completed van-type vehicle that has been altered to provide temporary living quarters; and

(iii) An incomplete vehicle upon which is permanently attached a body designed to provide temporary living quarters as defined above.

(2) Slip in campers are mounted into a pickup truck in the pickup box, either by bolting through the floor of the pickup box or by firmly clamping to the side of the pickup box. The vehicle may be registered, at the owner's choice, as either a recreational vehicle under this definition or may be registered as a truck, defined by subdivision 10 must be registered as a passenger automobile.

Sec. 6. Minnesota Statutes 1980, Section 168.013, Subdivision 1a, is amended to read:

Subd. 1a. [PASSENGER AUTOMOBILES; AMBULANCES; HEARSEs.] On passenger automobiles as defined in section 168.011, subdivision 7, ambulances, and hearses, except as otherwise provided, the tax shall be \$10 plus an additional tax equal to 1.25 percent of the base value, except that on pickup trucks, the tax shall be:

(a) For the 1982 registration year, \$10 plus an additional tax equal to .83 percent of the base value;

(b) For the 1983 registration year and each succeeding year, \$10 plus an additional tax equal to 1.25 percent of the base value.

Subject to the classification provisions herein, "base value" means the manufacturer's suggested retail price of the vehicle including destination charge as reflected on the price listing affixed to the vehicle in conformity with 15 U.S.C. 1231 to 1233 (Public Law 85-506) or otherwise suggested by the manufacturer or determined by the registrar if no suggested retail price exists, and shall not include the cost of each accessory or item of optional equipment separately added to the vehicle and the suggested retail price.

If the registrar is unable to determine the base value because the vehicle is specially constructed, or for any other reason, he may establish such the value upon the cost price to the purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales or use tax or any local sales or other local tax.

The registrar shall classify every vehicle in its proper base value class as follows:

FROM	TO
\$ 0	\$199.99
200	399.99

and thereafter a series of classes successively set in brackets having a spread

of \$200 consisting of ~~such~~ the number of classes as will permit classification of all vehicles.

The base value for purposes of this section shall be the middle point between the extremes of its class.

The registrar shall establish the base value, when new, of every passenger automobile, ambulance and hearse registered prior to the effective date of Extra Session Laws 1971, Chapter 31, using list price information published by the manufacturer or any nationally recognized firm or association compiling ~~such~~ the data for the automotive industry. If the registrar is unable to ascertain the base value of any registered vehicle in the foregoing manner, he may use any other available source or method. The tax on all previously registered vehicles shall be computed upon the base value thus determined taking into account the depreciation provisions of Extra Session Laws 1971, Chapter 31.

The annual additional tax computed upon the base value as provided herein, during the first year of vehicle life shall be computed upon 100 percent of the base value; for the second year, 90 percent of ~~such~~ the value; for the third year, 75 percent of ~~such~~ the value; for the fourth year, 60 percent of ~~such~~ the value; for the fifth year, 45 percent of ~~such~~ the value; for the sixth year, 35 percent of ~~such~~ the value; for the seventh year, 30 percent of ~~such~~ the value; for the eighth year, 20 percent of ~~such~~ the value; for the ninth year, 15 percent of ~~such~~ the value; for the tenth year, 10 percent of ~~such~~ the value; for the eleventh and each succeeding year, the sum of \$2 \$5.

In no event shall the annual additional tax be less than \$5 for any registration renewed after November 15, 1981.

Sec. 7. Minnesota Statutes 1980, Section 168.013, Subdivision 1b, is amended to read:

Subd. 1b. [MOTORCYCLES.] On motorcycles the tax is ~~\$5~~ \$10, which includes the surtax provided for in subdivision 14.

Sec. 8. Minnesota Statutes 1980, Section 168.013, Subdivision 1c, is amended to read:

Subd. 1c. [FARM TRUCKS.] (1) On farm trucks, having a gross weight of not more than 57,000 pounds the tax shall be based on total gross weight and shall be ~~30~~ 40 percent of the Minnesota base rate prescribed by subdivision 1e ~~under Schedule I~~ during each of the first ~~six~~ ten years of vehicle life, but in no event less than ~~\$19~~ \$60, and during the ~~seventh~~ eleventh and succeeding years of vehicle life ~~as taken from Schedule II~~ the tax shall be 30 percent of the base rate, but in no event less than ~~\$11~~ \$35 except as otherwise provided in this subdivision. In addition to ~~such~~ the gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

(2) On farm trucks having a gross weight in excess of 57,000 pounds the tax shall be based on total gross weight and shall be 60 percent of the base rate prescribed in subdivision 1e during each of the first ten years of vehicle life and 40 percent of the base rate during the eleventh and succeeding years of vehicle life, except as otherwise provided in this subdivision.

(3) On farm trucks having a gross weight in excess of 57,000 pounds, during each of the first ten years of vehicle life, the tax shall be:

(a) For the 1982 registration year, 50 percent of the tax imposed in subdivision 1e;

(b) For the 1983 registration year and each succeeding year, 60 percent of the tax imposed in subdivision 1e.

Sec. 9. Minnesota Statutes 1980, Section 168.013, Subdivision 1d, is amended to read:

Subd. 1d. [TRAILERS.] On trailers the annual tax shall be based on total gross weight and shall be 30 50 percent of the Minnesota base rate prescribed in subdivision 1e, ~~Schedule I~~, but in no event less than \$2 \$5, provided, that the tax on trailers with a total gross weight of 3,000 pounds or less shall be payable biennially.

Sec. 10. Minnesota Statutes 1980, Section 168.013, Subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On all trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on all truck-tractor and semi-trailer combinations except those defined as farm combinations and urban combinations, the tax based on total gross weight during the first six years of vehicle life shall be graduated according to ~~Schedule I~~ of the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$50. ~~\$28, and~~ During the seventh and succeeding years of vehicle life the tax shall be graduated according to ~~Schedule H of this subdivision, but in no event less than \$17~~ 75 percent of the tax imposed in the Minnesota base rate schedule, except as otherwise provided in this subdivision. For all trucks, tractors, and combinations, during the seventh and succeeding years of vehicle life, the tax shall be:

(a) For the 1982 registration year, 60 percent of the tax imposed in subdivision 1e;

(b) For the 1983 registration year, 70 percent of the tax imposed in subdivision 1e;

(c) For the 1984 registration year and each succeeding year, 75 percent of the tax imposed in subdivision 1e.

MINNESOTA BASE RATE SCHEDULE

Scheduled taxes include five percent surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS		SCHEDULE I		SCHEDULE H	
		Tax		Tax	
A	0 - 1,500	\$ 5.00	10	\$ - - - -	
B	1,501 - 3,000	9.00	14	- - - -	
C	3,001 - 4,500	14.00	21	8.00	
D	4,501 - 6,000	19.00	28	11.00	
E	6,001 - 9,000	28.00	42	17.00	
F	9,001 - 12,000	39.00	49	23.00	
G	12,001 - 15,000	62.00	93	37.00	
H	15,001 - 18,000	86.00	129	52.00	
I	18,001 - 21,000	114.00	171	68.00	
J	21,001 - 27,000	158.00	237	95.00	
K	27,001 - 33,000	230.00	345	138.00	
L	33,001 - 39,000	320.00	480	192.00	

M	39,001 - 45,000		420.00	630	252.00
N	45,001 - 51,000		540.00	810	324.00
O	51,001 - 57,000		690.00	863	414.00
P	57,001 - 63,000		830.00	1038	498.00
Q	63,001 - 69,000		970.00	1213	582.00
R	69,001 - 73,280		1,050.00	1313	630.00
S	73,281 - 77,000	78,000	1,155.00	1444	693.00
T	77,001 78,001 - 81,000		1,260.00	1575	746.00

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$36 \$42 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to provisions of subdivision 12.

Provided however, that on all trucks, except those in this chapter defined as farm trucks and urban trucks, having a gross weight in excess of 18,000 pounds but less than 27,001 pounds, the tax shall be:

(a) For the registration year 1976, 70 percent of the applicable Schedule I or Schedule II of this subdivision;

(b) For the registration year 1977, 80 percent of the applicable Schedule I or Schedule II of this subdivision;

(c) For the registration year 1978, 90 percent of the applicable Schedule I or Schedule II of this subdivision;

(d) For the registration year 1979 and thereafter, 100 percent of the applicable Schedule I or Schedule II of this subdivision.

On vehicles having a gross weight in excess of 27,000 pounds, and used for the transportation of livestock or unprocessed and raw farm products shall be taxed at 90 percent of the Minnesota base rate prescribed by this subdivision under Schedule I during each of the first six years of vehicle life and during the seventh and succeeding years of vehicle life as taken from Schedule II, provided the gross receipts derived from such use equal or exceed 60 percent of the owner's total gross receipts from the operation of such vehicle during the 12 month period immediately preceding the date set by law for the reregistration of such vehicle. The owner shall furnish such information as the commissioner of public safety may require, including sworn statements of fact, and the commissioner of public safety shall thereupon determine whether such owner comes within the provisions of this paragraph.

If an owner has not used such vehicle for the transportation of livestock or unprocessed and raw farm products so as to be able to report gross receipts for the 12 month period as herein set forth, he may, nevertheless, apply for registration hereunder and pay the reduced tax and the commissioner of public safety shall, after consideration of the established facts, determine whether such owner is entitled to have such registration approved.

If an owner fails to operate under the conditions and limitations herein set forth, he shall immediately notify the commissioner of public safety of such fact and pay the difference between the scheduled gross weight tax and the reduced tax proportionate to the number of months remaining in the year, 1/12 of the difference for each month or fraction thereof, beginning with the month in which such operations were discontinued or changed.

If an owner first uses such vehicle for the transportation of livestock and unprocessed and raw farm products after the tax becomes due without reduction, no adjustment of refund of tax shall be made during that calendar year for reasons of transporting livestock and unprocessed and raw farm products.

All truck-tractors except those herein defined as farm and urban truck-tractors shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of ~~such~~ the truck-tractor and any semi-trailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to ~~such~~ the gross weight tax imposed on the truck-tractor, each semi-trailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Urban trucks include only all trucks and all truck-tractors and semi-trailers used exclusively in transporting property within the metropolitan area consisting of Hennepin, Ramsey, Scott, Dakota, Anoka, Washington and Carver counties, or within the corporate limits of any city or contiguous cities or within one mile of cities of the first and second class. For the purposes of this clause a land area ceded to the United States of America under General Laws 1889, Chapter 57, is a statutory city. The vehicle shall not be operated outside the metropolitan area or corporate limits of such city or contiguous cities, or beyond one mile of cities of the first and second class; except that the commissioner of public safety may, by special permit, authorize the permanent removal of such vehicle from any registration area to another. The license plates issued therefor shall be plainly marked.

(1) On urban trucks and combinations with a gross weight of 57,000 pounds or less the tax shall be based on total gross weight and shall be 30 75 percent of the Minnesota base rate prescribed in this subdivision 1e under Schedule I during each of the first six years of vehicle life, but in no event less than \$19, and during the seventh and succeeding years of vehicle life as taken from Schedule II, but in no event less than \$14 the tax shall be 50 percent of the base rate except as otherwise provided in this subdivision. On urban trucks and combinations with a gross weight of 57,000 pounds or less during each of the first six years of vehicle life the tax shall be:

(a) For the 1982 registration year, 45 percent of the Minnesota base rate schedule;

(b) For the 1983 registration year, 60 percent of the Minnesota base rate schedule;

(c) For the 1984 registration year and each succeeding year, 75 percent of the Minnesota base rate schedule.

(2) On urban trucks and combinations with a gross weight of 57,000 pounds or less, during the seventh and succeeding years of vehicle life, the tax shall be:

(a) For the 1982 registration year, 36 percent of the Minnesota base rate schedule;

(b) For the 1983 registration year, 43 percent of the Minnesota base rate schedule;

(c) For the 1984 registration year and each succeeding year, 50 percent of the Minnesota base rate schedule.

(3) On urban trucks and combinations with a gross weight of more than 57,000 pounds the tax shall be based on total gross weight and shall be 100 percent of the Minnesota base rate prescribed by subdivision 1e during each of the first six years of vehicle life and during the seventh and succeeding years, the tax shall be 75 percent of the base rate, except as otherwise provided in this subdivision. On urban trucks and combinations with a gross weight of more than 57,000 pounds, during each of the first six years of vehicle life, the tax shall be:

(a) For the 1982 registration year, 33 percent of the Minnesota base rate schedule;

(b) For the 1983 registration year, 67 percent of the Minnesota base rate schedule;

(c) For the 1984 registration year and each succeeding year, 100 percent of the Minnesota base rate schedule.

(4) On urban trucks with a gross weight of more than 57,000 pounds, during the seventh and succeeding years of vehicle life the tax shall be:

(a) For the 1982 registration year, 42 percent of the Minnesota base rate schedule;

(b) For the 1983 registration year, 57 percent of the Minnesota base rate schedule;

(c) For the 1984 registration year and each succeeding year, 75 percent of the Minnesota base rate schedule. In addition to such gross weight tax imposed on the truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects. Provided that on vehicles used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consist of at least 60 percent obtained solely from local cartage carriage, shall be taxed at 90 percent of the prescribed urban truck and combination rates for the life of the vehicle during each year such vehicle is used, provided that the gross revenues obtained from transportation services is obtained from local cartage carriage is at least 60 percent of all revenue obtained from transportation services by said person; and provided further, that said tax shall in no event be less than \$10.

Sec. 11. Minnesota Statutes 1980, Section 168.013, Subdivision 1g, is amended to read:

Subd. 1g. [RECREATIONAL VEHICLES.] Selfpropelled recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight at 100 percent of the Minnesota base rate prescribed in subdivision 1e under schedule I during each of the first six years of vehicle life, but in no event less than \$14, and during the seventh and succeeding years of vehicle life as taken from Schedule H, but in no event less than \$8. Towed recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight at 50 percent of the Minnesota base rate prescribed in subdivision 1e schedule under Schedule I but in no event less than \$5.

The annual tax on a slip-in camper as defined in section 168.011, subdivision 25, shall be as provided for selfpropelled recreational vehicles unless such owner elects to register such slip-in camper as a truck. If the owner elects to register such slip-in camper as a truck, the annual tax shall be either the tax imposed for selfpropelled recreational vehicles or the tax imposed for trucks on the basis of gross weight in subdivision 1e, whichever is higher. Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant to this section shall be exempt from any wheelage tax now or hereafter imposed by any political subdivision or political subdivisions.

Sec. 12. Minnesota Statutes 1980, Section 168.013, Subdivision 1h, is amended to read:

Subd. 1h. [MOTORIZED BICYCLES.] On motorized bicycles the tax is \$3 \$10, which includes the surtax provided for in subdivision 14.

Sec. 13. Minnesota Statutes 1980, Section 168.013, Subdivision 2, is amended to read:

Subd. 2. [PRORATED FEES.] When a motor vehicle first becomes subject to taxation during the registration period for which the tax is paid, the tax shall be for the remainder of the period prorated on a monthly basis, 1/12 of the annual tax for each calendar month or fraction thereof; provided, however, that for a vehicle having an annual tax of \$5 \$10 or less there shall be no reduction until on and after September 1 when ~~such~~ the annual tax shall be reduced one-half.

Sec. 14. Minnesota Statutes 1980, Section 168.013, Subdivision 3, is amended to read:

Subd. 3. [APPLICATION; CANCELATION; EXCESSIVE GROSS WEIGHTS FORBIDDEN.] The applicant for all licenses based on gross weight shall state in writing upon oath, among other things, the unloaded weight of such vehicle or trailer and the maximum load the applicant proposes to carry thereon, the sum of which shall constitute the gross weight upon which the license tax shall be paid, but in no case shall the declared gross weight upon which the tax is paid be less than ~~1-1/2~~ 1-1/4 times the declared unloaded weight of the vehicle or trailer to be registered, except recreational vehicles taxed under subdivision 1g, school buses taxed under subdivision 18 and wreckers defined in section 169.01, subdivision 52. The gross weight of a wrecker is the actual weight of the wrecker fully equipped, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the wrecker.

The gross weight of no vehicle or trailer shall exceed the gross weight upon which the license tax has been paid by more than four percent or 1000 pounds, whichever is greater.

The gross weight of the vehicle or trailer for which such license tax is paid shall be indicated by a distinctive character on the license plate or plates except as provided in subdivision 12 and the plate or plates shall be kept clean and clearly visible at all times.

The owner, driver, or user of a vehicle or trailer upon conviction for transporting a gross weight in excess of the gross weight for which it was registered or for operating a vehicle with an axle weight exceeding the maximum lawful axle load weight shall be guilty of a misdemeanor and be subject to increased registration or re-registration according to the following schedule:

(1) The owner, driver or user of a vehicle or trailer upon conviction for transporting a gross weight in excess of the gross weight for which it is registered by more than four percent or 1000 pounds, whichever is greater, but less than 25 percent or for operating or using a vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.83 by more than four percent or 1000 pounds, whichever is greater, but less than 25 percent, in addition to any penalty imposed on him for the misdemeanor shall apply to the registrar to increase the authorized gross weight to be carried on the vehicle to a weight equal to or greater than the gross weight of which the owner, driver, or user was convicted of carrying, the increase computed for the balance of the calendar year on the basis of 1/12 of the annual tax for each month remaining in the calendar year beginning with the first day of the month in which the violation occurred. If the additional registration tax computed upon that weight, plus the tax already paid, amounts to more than the regular tax for the maximum gross weight permitted for such a vehicle under section 169.83, that additional amount shall nevertheless be paid into the highway fund, but the additional tax thus paid shall not be deemed to permit the vehicle

to be operated with a gross weight in excess of the maximum legal weight as provided by section 169.83. Unless the owner within 30 days after such a conviction shall apply to increase the authorized weight and pay the additional tax as herein provided, the registrar shall revoke the registration on the vehicle and demand the return of the registration card and plates issued by him on that registration.

(2) The owner or driver or user of a vehicle or trailer upon conviction for transporting a gross weight in excess of the gross weight for which the vehicle or trailer was registered by 25 percent or more, or for operating or using a vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.83 by 25 percent or more, in addition to any penalty imposed on him for the misdemeanor, shall have the reciprocity privileges on the vehicle involved if the same is being operated under reciprocity canceled by the registrar, or if the vehicle is not being operated under reciprocity, the certificate of registration on the vehicle so operated shall be canceled by the registrar and the registrar shall demand the return of the registration certificate and registration plates. The registrar may investigate any allegation of gross weight violations and demand that the operator show cause why all future operating privileges in the state should not be revoked unless the additional tax assessed be paid.

(3) When the registration on a motor vehicle, trailer or semitrailer has been revoked by the registrar according to provisions of this section, such vehicle shall not be again operated on the highways of the state until it is registered or re-registered, as the case may be, and new plates issued, and the registration fee therefor shall be the annual tax for the total gross weight of the vehicle at the time of violation.

Sec. 15. Minnesota Statutes 1980, Section 168.017, Subdivision 1, is amended to read:

Subdivision 1. All passenger automobiles, ambulances, hearses, *pickup trucks* and station wagons, ~~beginning April 1, 1975,~~ shall be registered by the registrar according to the monthly series system of registration prescribed by this section.

Sec. 16. Minnesota Statutes 1980, Section 168.017, Subdivision 3, is amended to read:

Subd. 3. All vehicles subject to registration under the monthly series system shall be registered by the registrar for a period of 12 consecutive calendar months, except as follows:

(a) If the application is an original rather than renewal application; or,

(b) The application is the next registration occurring after a dealer or distributor has registered a motor vehicle prior to its assessment or taxation as personal property pursuant to section 168.28; or,

(c) The application is a renewal application *for a pickup truck* for the registration year of ~~1975~~ 1982.

In such instance the registrar may register the vehicle which is the subject of the application for a period of not less than three nor more than 15 calendar months, when the registrar determines that such registration will help to equalize the registration and renewal work load of the department.

Sec. 17. [168.018] [FOUR MONTH REGISTRATION OF FARM TRUCKS.]

The owner of any farm truck as defined in section 168.011, subdivision 17, may elect to register and license the farm truck only for four months of a registration year, at a tax of one-third of the annual tax on the vehicle plus \$5. The expiration date shall be displayed on the license plate in the manner the registrar directs. No farm truck so registered shall be operated on the public streets and highways more than ten days beyond the end of the time period for which it is registered unless the registration has been renewed for another four months or for the remainder of the registration year.

Sec. 18. Minnesota Statutes 1980, Section 168.10, Subdivision 1a, is amended to read:

Subd. 1a. [COLLECTOR'S VEHICLES, PIONEER LICENSE.] Any motor vehicle manufactured prior to 1936 and owned and operated solely as a collector's item shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$6 \$50 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Pioneer," "Minnesota" and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

In the event of the defacement, loss or destruction of such number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances, together with any defaced plates and the payment of a \$2 fee, shall issue duplicate plates specially designed for that purpose. The registrar shall then note on his records the issue of such new number plates and shall proceed in such manner as he may deem advisable to cancel and call in the original plates.

Sec. 19. Minnesota Statutes 1980, Section 168.10, Subdivision 1b, is amended to read:

Subd. 1b. [COLLECTOR'S VEHICLE, CLASSIC CAR LICENSE.] Any motor vehicle manufactured between and including the years 1925 and 1948, and designated by the registrar of motor vehicles as a classic car because of its fine design, high engineering standards, and superior workmanship, and owned and operated solely as a collector's item shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and that the motor vehicle qualifies to be classified as a classic car, and the owner pays a \$6

\$50 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Classic Car," "Minnesota," and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

In the event of the defacement, loss or destruction of such number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances, together with any defaced plates and the payment of a \$2 fee, shall issue duplicate plates specially designed for that purpose. The registrar shall then note on his records the issue of such new number plates and shall proceed in such manner as he may deem advisable to cancel and call in the original plates.

The following cars built between and including 1925 and 1942 are classic, with the exception of Lincoln Continentals which are considered to be classics through the year 1948:

A.C.	
Adler	
Alfa Romeo	
Alvis	Speed 20, 25, and 4.3 litre.
Amilcar	
Aston Martin	
Auburn	All 8-cylinder and 12-cylinder models.
Audi	
Austro-Daimler	
Avions Voisin 12	
Bentley	
Blackhawk	
B.M.W.	Models 327, 328, and 335 only.
Brewster	
(Heart-front Ford)	
Bugatti	
Cadillac	All 1925 through 1935. 1936-1942: Series 70, 72, 75, 80, 85 and 90 only.
Chrysler	1926 through 1930: Imperial 80. 1931: Imperial 8 Series CG. 1932: Series CG and CL. 1933: Series CL. 1934: Series CW. 1935: Series CW. All Newports and Thunderbolts.
Cord	
Cunningham	
Dagmar	Model 25-70 only.
Daimler	
Delage	
Delahaye	
Doble	
Dorris	
Duesenberg	
du Pont	

- Franklin All models except 1933-34 Olympic Sixes.
 Frazer Nash
 Hispano Suiza
 Horch
 Hotchkiss
 Invicta
 Isotta Fraschini
 Jaguar
 Jordan
 Kissel
 Lagonda
 Lancia
 La Salle
 Lincoln
 Lincoln
 Continental
 Locomobile
 Marmon
 Maybach
 McFarlan
 Mercedes Benz
 Mercer
 M.G.
 Minerva
 Packard
 Peerless
 Pierce Arrow
 Railton
 Renault
 Reo
- Speedway Series 'Z' only.
 1925, 1926 and 1927: Model 8-75.
 1928: Model 8-90, and 8-90 White Eagle.
 1929: Model 8-126, and 8-90 White Eagle.
 1930: Model 8-126.
 1931: Model 8-126.
- 1927 through 1933 only.
 All models K, L, KA, and KB.
 1941: Model 168H.
 1942: Model 268H.
- 1939 through 1948.
 All models 48 and 90.
 1927: Model 8-80.
 1928: Model 8-80.
 1929: Models 8-80 and 8-88.
 All 16-cylinder models.
 1925: Model 74.
 1926: Model 74.
 1927: Model 75.
 1928: Model E75.
 1930: Big 8 model.
 1931: Model 88, and Big 8.
- All models 2.2 litres and up.
 6-cylinder models only.
 1925 through 1934: All models.
 1935 through 1942: Models 1200,
 1201, 1202, 1203, 1204, 1205, 1207,
 1208, 1400, 1401, 1402, 1403, 1404,
 1405, 1407, 1408, 1500, 1501, 1502,
 1506, 1507, 1508, 1603, 1604, 1605,
 1607, 1608, 1705, 1707, 1708, 1806,
 1807, 1808, 1906, 1907, 1908, 2006,
 2007, and 2008 only.
- 1926 through 1928: Series 69.
 1930-1931: Custom 8.
 1932: Deluxe Custom 8.
- Grand Sport model only.
 1930-1931: Royale Custom 8, and

Series 8-35 and 8-52 Elite 8.
1933: Royale Custom 8.

Revere
Roamer

1925: Series 8-88, 6-54e, and 4-75.
1926: Series 4-75e, and 8-88.
1927-1928: Series 8-88.
1929: Series 8-88, and 8-125.
1930: Series 8-125.

Rohr
Rolls Royce
Ruxton
Salmson
Squire
Stearns Knight
Stevens Duryea
Steyr
Stutz
Sunbeam
Talbot
Vauxhall
Wills Saint Claire

Series 30-98 only.

No commercial vehicles such as hearses, ambulances, or trucks are considered to be classic cars.

Sec. 20. Minnesota Statutes 1980, Section 168.10, Subdivision 1c, is amended to read:

Subd. 1c. [COLLECTOR'S VEHICLE, COLLECTOR LICENSE.] Any motor vehicle that is at least 20 model years old and manufactured after 1935, or of a defunct make, defined as any car originally licensed as a separate identifiable make as designated by the division of motor vehicles, and owned and operated solely as a collector's vehicle, shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. The owner must also prove that he or she also has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$20 \$50 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Collector," "Minnesota" and the registration number, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke such plates for failure to comply with this subdivision.

In the event of the defacement, loss or destruction of such number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances, together with any defaced plates and the payment of a \$2 fee, shall issue duplicate plates specially designed for that purpose. The registrar shall then note on his records the issue of such new number plates and shall proceed in such a manner as he may deem advisable to cancel and call in the original plates.

Sec. 21. Minnesota Statutes 1980, Section 168.10, Subdivision 1d, is

amended to read:

Subd. 1d. [COLLECTORS VEHICLES, STREET ROD LICENSE.] Any modernized motor vehicle manufactured prior to the year 1949 or designed and manufactured to resemble such vehicle shall be listed for taxation and registration as follows:

An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year number of model, and the manufacturer's identification number. The affidavit shall further state that the vehicle is owned and operated solely as a street rod and not for general transportation purposes. The owner must also prove that he or she has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a ~~\$25~~ \$50 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates issued shall bear the inscription "Street Rod"; "Minnesota" and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke such plates for failure to comply with this subdivision.

In the event of the defacement, loss or destruction of such number plates, the registrar, upon receiving and filing a sworn statement of the vehicle's owner, setting forth the circumstances, together with any defaced plates and the payment of a \$5 fee, shall issue duplicate plates specially designed for that purpose. The registrar shall then note on his records the issue of such new number plates and shall proceed in such a manner as he may deem advisable to cancel and call in the original plates.

Sec. 22. Minnesota Statutes 1980, Section 168.12, Subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates shall be issued to any applicant for registration of a passenger automobile, station wagon, van or pickup truck with a gross weight of 9,000 pounds or less, or self-propelled recreational vehicle, upon compliance with all laws of this state relating to registration of the vehicle, and upon payment of a fee of ~~\$50~~ \$75 in addition to the registration tax required by law for the vehicle. In lieu of the numbers assigned as provided in subdivision 1, such personalized license plates shall have imprinted thereon a series of not to exceed any combination of six numbers and letters. When an applicant has once obtained personalized plates, he shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if he makes application for them at least 30 days prior to the first date on which his registration can be renewed. The commissioner of public safety shall adopt rules and regulations in the manner provided by chapter 15, regulating the issuance and transfer of such personalized license plates. No words or combination of letters placed on such personalized license plates may be used for commercial advertising or be of an obscene, indecent or immoral nature, or such as would offend public morals or decency. The call signals or letters of a radio or television station shall not be construed as commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5, which fee shall be paid into the state treasury

and credited to the highway user tax distribution fund. The registrar may by regulation provide a form for such notification.

The fee prescribed for personalized license plates shall be paid only in those years in which the number plate itself is issued, and shall not be payable in any year in which a year plate, tab or sticker is issued in lieu of a number plate.

All fees from the sale of personalized license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 23. Minnesota Statutes 1980, Section 174.50, Subdivision 1, is amended to read:

Subdivision 1. State assistance is needed to supplement local effort and the highway user tax distribution fund in financing capital improvements to preserve and develop a balanced transportation system throughout the state. Such a system is a proper function and concern of state government and necessary to protect the safety and personal and economic welfare of all citizens. *It requires capital expenditures for public facilities, improvements, and equipment that are complementary, additional, and alternate to highways and are a proper object for contracting public debt and engaging in works of internal improvement under article XI, section 5, clause (a) of the constitution. These expenditures are needed to harmonize state and local highway systems with the requirements of the federal interstate highway system, to avoid harmful environmental impact of arterial highways on urban, scenic, and recreational areas, and to provide auxiliary facilities for the convenience and safety of persons crossing highways and persons living and working adjacent to them. Capital expenditures of this nature exceed requirements for basic highway systems and should be funded from sources other than the taxes and bonds authorized in article XIV of the constitution. However, the improvements tend to reduce the cost of maintenance of highways to the minimum required for accommodation of traffic, and the cost may and shall continue to be paid from taxes authorized in article XIV of the constitution. Immediate improvement needs are reconstruction and replacement of key bridges and approaches to remove obstructions to the flow of traffic on state and county highways, municipal streets and township roads and expedited completion of the interstate highway system in Minnesota by paying the state share of interstate highway segments, and a portion of the local share of interstate highway substitution projects when those interstate substitution projects are approved in accordance with state and federal law.*

Sec. 24. Minnesota Statutes 1980, Section 296.02, Subdivision 1, is amended to read:

Subdivision 1. [TAX IMPOSED FOR MOTOR VEHICLE USE.] There is hereby imposed an excise tax of ~~11~~ 13 cents per gallon on all gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. This tax shall be payable at the times, in the manner, and by persons specified in this chapter.

Sec. 25. [TRANSPORTATION FUND APPROPRIATIONS.]

\$98,000,000 is appropriated from the state transportation fund to the commissioner of transportation to acquire and better public land, buildings, and capital improvements in accordance with Minnesota Statutes, Section 174.50 and rules promulgated thereunder, to be expended in the following amounts for the following purposes:

(a) *\$95,000,000 for construction and reconstruction of key bridges and bridge approaches on routes on the trunk highway system, including interstate*

routes, and for construction of segments of the interstate highway system, and

(b) \$3,000,000 for matching funds not to exceed two-thirds of the non-federal share of right of way, preliminary and construction engineering, and construction costs of local transportation projects which are funded with federal interstate substitution funds.

Sec. 26. [AUTHORIZATION OF BONDS.]

To provide the money appropriated in section 25 from the state transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$98,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Section 174.51, and by the constitution, article XI, sections 4 to 7. The proceeds of the bonds, except premium and accrued interest, are appropriated to and shall be deposited in the Minnesota state transportation fund for expenditure for the acquisition and betterment of public land, buildings, and capital improvements in accordance with section 25 and Minnesota Statutes, Section 174.50.

Sec. 27. [REPEALER.]

Minnesota Statutes 1980, Section 168.013, Subdivisions 16 and 17, are repealed.

Sec. 28. [EFFECTIVE DATE.]

Sections 6 and 27 are effective for registration and renewal registration applications made on and after January 1, 1982, except as otherwise specifically provided in those sections. Sections 1 to 5 and 7 to 22 are effective November 15, 1981, for registration year 1982 and subsequent years, except as otherwise specifically provided in those sections. Section 24 is effective June 1, 1981, and applies to all gasoline and special fuel as defined in section 296.01, subdivision 6, in storage on that date. Sections 23, 25 and 26 are effective June 1, 1981."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "government;" insert "providing for the financing of certain services of the department of transportation; defining and clarifying certain gross weights; increasing the motor vehicle registration tax on certain vehicles; providing for temporary farm truck licenses; increasing the tax on gasoline and special fuels; authorizing the issuance of state transportation bonds and appropriating the proceeds for the purpose of providing money for capital improvements comprising construction and reconstruction of key bridges on the trunk highway system, segments of the interstate system and interstate highway substitution projects;"

Page 1, line 21, after "subdivision;" insert "168.011, Subdivisions 7, 10, 16, 17 and 25; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1g, 1h, 2, and 3; 168.017, Subdivisions 1 and 3; 168.10; Subdivisions 1a, 1b, 1c, and 1d; 168.12, Subdivision 2a; 174.50, Subdivision 1;"

Page 1, line 32, after "2;" insert "296.02, Subdivision 1;"

Page 1, line 34, after "Chapters" insert "168,"

Page 1, line 35, after "Sections" insert "168.013, Subdivisions 16 and 17;"

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 1160 for comparison with 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.
1160	1302				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1160 be amended as follows:

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1980, Section 82.18, is amended to read:

82.18 [EXCEPTIONS.]

Unless a person is licensed or otherwise required to be licensed under this chapter, the term real estate broker does not include:

(a) A licensed practicing attorney acting solely as an incident to the practice of law, provided, however, that the attorney complies in all respects with the trust account provisions of this chapter;

(b) A receiver, trustee, administrator, guardian, executor, or other person appointed by or acting under the judgment or order of any court;

(c) Any person owning and operating a cemetery and selling lots therein solely for use as burial plots;

(d) Any custodian, janitor, or employee of the owner or manager of a residential building who leases residential units in such building;

(e) Any bank, trust company, savings and loan association, public utility, or any land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of business within the scope of its corporate powers as provided by law;

(f) Public officers while performing their official duties;

(g) Employees of persons enumerated in clauses (b), (e) and (f), when engaged in the specific performance of their duties;

(h) *Until July 1, 1983*, any person who acts as an auctioneer bonded in conformity with section 330.02, when he is engaged in the specific performance of his duties as an auctioneer;

(i) Any person who acquires such real estate for the purpose of engaging in and does engage in, or who is engaged in the business of constructing residential, commercial or industrial buildings for the purpose of resale, provided that no more than 25 such transactions occur in any 12 month period and that the person complies with section 82.24;

(j) Any person who offers to sell or sells an interest or estate in real estate which is a security registered pursuant to chapter 80A, when acting solely as an incident to the sale of such securities;

(k) Any person who offers to sell or sells a business opportunity which is a

franchise registered pursuant to chapter 80C, when acting solely to sell the franchise;

(1) Any person who contracts with or solicits on behalf of a provider a contract with a resident or prospective resident to provide continuing care in a facility that is registered pursuant to the continuing care facility registration act, when acting solely as incident to the contract."

Page 1, line 10, delete "1" and insert "2"

Page 1, line 18, delete "2" and insert "3"

Page 2, line 10, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 2, after "commerce;" insert "removing the auctioneer's exception to the definition of "real estate broker";"

Page 1, line 5, delete "setting a penalty;"

Page 1, line 6, after "Sections" insert "82.18;"

And when so amended H. F. No. 1160 will be identical to S. F. No. 1302, and further recommends that H. F. No. 1160 be given its second reading and substituted for S. F. No. 1302, 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, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1301, 1190 and 1200 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1301	1253				
1190	1322				
1200	1226				

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. No. 1393 was read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1160, 1301, 1190 and 1200 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Frederick introduced—

Senate Resolution No. 58: A Senate resolution congratulating Kenneth J. Doty upon being elected Minnesota Educational Administrator for 1981.

Referred to the Committee on Rules and Administration.

Mr. Waldorf moved that the name of Mr. Sikorski be added as co-author to S. F. No. 118. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Penny, Lessard and Benson be added as co-authors to S. F. No. 1263. The motion prevailed.

Mr. Stern moved that his name be stricken as co-author to S. F. No. 1326. The motion prevailed.

S. F. No. 209 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 209

A bill for an act relating to gambling devices; clarifying definitions of gambling devices; authorizing an additional gambling device; authorizing certain payments for operation of gambling devices; changing prize limitations; changing the penalty provision for violation; amending Minnesota Statutes 1980, Sections 349.26, Subdivisions 2, 4, 5, 12, 13, 14 and 15, and by adding a subdivision; 349.30, Subdivision 2; and 349.31, Subdivision 1.

April 29, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 209, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 209 be amended as follows:

Page 2, line 17, delete "*\$20 for a gambling*"

Page 2, line 18, delete "*occasion, not to exceed \$30*" and insert "*\$25*" and strike "*to any person*"

Page 4, line 6, reinstate the stricken language

Page 4, line 7, reinstate all the stricken language after "*and*"; after "*and*" insert a comma and after "*tipboards*" insert "*and pull-tabs (or ticket jars)*"

Page 4, line 8, reinstate "*operated shall not exceed*", after the stricken "*\$500*" insert "*\$1,000*" and restore the stricken period

Page 4, line 10, after the first comma insert "*each tipboard limited to a single seal,*"

Page 4, line 12, strike "*and*" and insert a comma

Page 4, line 13, after "*tipboards*" insert "*and pull-tabs (or ticket jars)*"

Page 4, line 14, delete "\$50,000" and insert "\$35,000"

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

Senate Conferees: (Signed) Tom A. Nelson, John B. Keefe, Collin C. Peterson

House Conferees: (Signed) Leo J. Reding, James I. Rice, Dwaine H. Hoberg

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on S. F. No. 209 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. 209: A bill for an act relating to gambling devices; clarifying definitions of gambling devices; authorizing an additional gambling device; authorizing certain payments for operation of gambling devices; changing prize limitations; changing the penalty provision for violation; amending Minnesota Statutes 1980, Sections 349.26, Subdivisions 2, 4, 5, 12, 13, 14 and 15, and by adding a subdivision; 349.30, Subdivision 2; and 349.31, 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 55 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Frank	Lessard	Peterson, R. W.	Spear
Bang	Frederickson	Lindgren	Petty	Stern
Belanger	Hanson	Luther	Pillsbury	Stokowski
Benson	Hughes	Menning	Purfeerst	Stumpf
Bernhagen	Humphrey	Moe, D. M.	Ramstad	Taylor
Bertram	Johnson	Moe, R. D.	Renneke	Tennessen
Brataas	Keefe	Nelson	Rued	Ulland
Chmielewski	Knoll	Pehler	Schmitz	Vega
Davis	Kronebusch	Penny	Setzepfandt	Waldorf
Dicklich	Langseth	Peterson, C. C.	Sikorski	Wegener
Dieterich	Lantry	Peterson, D. L.	Solon	Willet

Those who voted in the negative were:

Dahl	Davies	Kroening	Olhoff	Sieloff
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So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Hughes moved that S. F. No. 560 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Hughes moved that the Senate concur in the amendments by the House to S. F. No. 560 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 560: A bill for an act relating to employment; prohibiting certain

cities or counties from establishing residency requirements as a condition of employment; proposing new law coded in Minnesota Statutes, Chapter 415.

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 13, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, R. W.	Solon
Bang	Frank	Lessard	Pillsbury	Stern
Belanger	Frederickson	Luther	Purfeerst	Stumpf
Benson	Hanson	Menning	Ramstad	Taylor
Berg	Hughes	Nelson	Renneke	Ulland
Bernhagen	Humphrey	Olhoft	Rued	Vega
Bertram	Keefe	Pehler	Schmitz	Wegener
Dahl	Knoll	Penny	Setzepfandt	
Davies	Kronebusch	Peterson, C. C.	Sieloff	
Davis	Langseth	Peterson, D. L.	Sikorski	

Those who voted in the negative were:

Berglin	Johnson	Moe, R. D.	Stokowski	Willet
Chmielewski	Kroening	Petty	Tennessen	
Dicklich	Lindgren	Spear	Waldorf	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

SUSPENSION OF RULES

Without objection, the lie-over requirement was suspended.

CALENDAR

H. F. No. 979: A bill for an act relating to health; encouraging philanthropic support of hospitals; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a hospital; proposing new law coded in Minnesota Statutes, Chapter 144.

Was read the third time 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:

Ashbach	Dicklich	Langseth	Petty	Stokowski
Bang	Dieterich	Lantry	Pillsbury	Stumpf
Belanger	Engler	Lessard	Purfeerst	Taylor
Benson	Frank	Luther	Ramstad	Tennessen
Berg	Frederick	Menning	Renneke	Ulland
Berglin	Frederickson	Moe, R. D.	Rued	Vega
Bernhagen	Hanson	Nelson	Schmitz	Waldorf
Bertram	Hughes	Olhoft	Setzepfandt	Wegener
Brataas	Humphrey	Pehler	Sieloff	Willet
Chmielewski	Johnson	Penny	Sikorski	
Dahl	Keefe	Peterson, C. C.	Solon	
Davies	Knoll	Peterson, D. L.	Spear	
Davis	Kronebusch	Peterson, R. W.	Stern	

Messrs. Kroening and Lindgren voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 817: A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, 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 61 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, R. W.	Stern
Bang	Engler	Langseth	Petty	Stokowski
Belanger	Frank	Lantry	Pillsbury	Stumpf
Benson	Frederick	Lessard	Purfeerst	Taylor
Berg	Frederickson	Lindgren	Ramstad	Tennessee
Berglin	Hanson	Luther	Renneke	Vega
Bernhagen	Hughes	Moe, R. D.	Rued	Waldorf
Bertram	Humphrey	Nelson	Schmitz	Wegener
Brataas	Johnson	Olhoft	Setzpfandt	Willet
Dahl	Keefe	Pehler	Sieloff	
Davies	Knoll	Penny	Sikorski	
Davis	Knutson	Peterson, C. C.	Solon	
Dicklich	Kroening	Peterson, D. L.	Spear	

Messrs. Chmielewski, Menning and Ulland voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 386: A bill for an act relating to the city of St. Paul; authorizing issuance of general obligation bonds for capital improvements; fixing amounts; amending Laws 1971, Chapter 773, Section 1, as amended; and Laws 1978, Chapter 788, Section 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 47 and nays 17, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Peterson, R. W.	Stern
Belanger	Frank	Lantry	Petty	Stokowski
Berglin	Frederickson	Lessard	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Vega
Brataas	Hughes	Menning	Ramstad	Waldorf
Chmielewski	Humphrey	Moe, R. D.	Schmitz	Wegener
Dahl	Johnson	Nelson	Setzpfandt	Willet
Davis	Knoll	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	
Dieterich	Kronebusch	Peterson, C. C.	Spear	

Those who voted in the negative were:

Bang	Davies	Lindgren	Rued	Ulland
Benson	Frederick	Olhoft	Sieloff	
Berg	Keefe	Peterson, D. L.	Taylor	
Bertram	Knutson	Renneke	Tennessee	

So the bill passed and its title was agreed to.

H. F. No. 192: A bill for an act relating to labor; regulating migrant labor;

requiring employers and recruiters to provide employment statements to migrant workers; setting requirements for employment statements and for payment of wages to migrant workers; providing for private causes of action; proposing new law coded in Minnesota Statutes, Chapter 181.

Was read the third time 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:

Ashbach	Dieterich	Kronebusch	Peterson, D. L.	Stern
Bang	Engler	Langseth	Peterson, R. W.	Stokowski
Belanger	Frank	Lantry	Petty	Stumpf
Benson	Frederick	Lessard	Pillsbury	Taylor
Berglin	Frederickson	Lindgren	Purfeerst	Tennessee
Bernhagen	Hanson	Luther	Ramstad	Ulland
Bertram	Hughes	Menning	Renneke	Vega
Brataas	Humphrey	Moe, R. D.	Rued	Waldorf
Chmielewski	Johnson	Nelson	Schmitz	Wegener
Dahl	Keefe	Olhoft	Setzepfandt	Willet
Davies	Knoll	Pehler	Sikorski	
Davis	Knutson	Penny	Solon	
Dicklich	Kroening	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

H. F. No. 732: A bill for an act relating to agriculture; providing for continuation of certain farm tenancies on termination of life estates; proposing new law coded in Minnesota Statutes, Chapter 500.

Was read the third time 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:

Ashbach	Dicklich	Kronebusch	Peterson, D. L.	Spear
Bang	Dieterich	Langseth	Peterson, R. W.	Stern
Belanger	Engler	Lantry	Petty	Stokowski
Benson	Frank	Lessard	Pillsbury	Stumpf
Berg	Frederick	Lindgren	Purfeerst	Taylor
Berglin	Frederickson	Luther	Ramstad	Tennessee
Bernhagen	Hanson	Menning	Renneke	Ulland
Bertram	Hughes	Moe, R. D.	Rued	Vega
Brataas	Johnson	Nelson	Schmitz	Waldorf
Chmielewski	Keefe	Olhoft	Setzepfandt	Wegener
Dahl	Knoll	Pehler	Sieloff	Willet
Davies	Knutson	Penny	Sikorski	
Davis	Kroening	Peterson, C. C.	Solon	

So the bill passed and its title was agreed to.

H. F. No. 691: A bill for an act relating to courts; permitting the use of electronic recording equipment in certain court proceedings; amending Minnesota Statutes 1980, Sections 486.02; and 486.03; proposing new law coded in Minnesota Statutes, Chapter 484.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Hanson	Peterson, D. L.	Tennessee
Bang	Dahl	Langseth	Pillsbury	Waldorf
Benson	Davies	Luther	Purfeerst	Wegener
Berg	Engler	Menning	Rued	Willet
Bernhagen	Frederick	Nelson	Spear	
Brataas	Frederickson	Olhoft	Taylor	

Those who voted in the negative were:

Belanger	Hughes	Kronebusch	Peterson, R. W.	Sikorski
Berglin	Humphrey	Lantry	Petty	Solon
Bertram	Johnson	Lessard	Ramstad	Stern
Davis	Keefe	Lindgren	Renneke	Stokowski
Dicklich	Knoll	Moe, R. D.	Schmitz	Stumpf
Dieterich	Knutson	Penny	Setzepfandt	Ulland
Frank	Kroening	Peterson, C. C.	Sieloff	Vega

So the bill failed to pass.

RECONSIDERATION

Mr. Solon moved that the vote whereby H. F. No. 691 failed to pass the Senate on May 6, 1981, be now reconsidered. The motion prevailed.

Mrs. Brataas moved that H. F. No. 691 be stricken and placed on General Orders. The motion prevailed.

H. F. No. 14: A bill for an act relating to agriculture; requiring notice of real estate improvement liens to be given to certain farmers; amending Minnesota Statutes 1980, Section 514.011, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D. L.	Stern
Bang	Dieterich	Lantry	Peterson, R. W.	Stokowski
Belanger	Engler	Lessard	Petty	Stumpf
Benson	Frank	Lindgren	Pillsbury	Taylor
Berg	Frederick	Luther	Purfeerst	Tennessee
Berglin	Frederickson	Menning	Ramstad	Ulland
Bernhagen	Hanson	Moe, D. M.	Renneke	Vega
Bertram	Hughes	Moe, R. D.	Rued	Waldorf
Brataas	Humphrey	Nelson	Schmitz	Wegener
Chmielewski	Johnson	Olhoft	Sieloff	Willet
Dahl	Keefe	Pehler	Sikorski	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

S. F. No. 118: A bill for an act relating to crimes; prohibiting the furnishing of tobacco related devices to minors; prohibiting minors from using tobacco or tobacco related devices; prescribing penalties; amending Minnesota Statutes 1980, Section 609.685.

Was read the third time 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 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Sikorski
Belanger	Engler	Langseth	Peterson, D. L.	Solon
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lessard	Petty	Stokowski
Bernhagen	Frederickson	Lindgren	Pillsbury	Stumpf
Bertram	Hanson	Luther	Purfeerst	Taylor
Brataas	Hughes	Menning	Ramstad	Tennesen
Chmielewski	Humphrey	Moe, R. D.	Renneke	Ulland
Dahl	Johnson	Nelson	Rued	Vega
Davies	Keefe	Olhoft	Schmitz	Waldorf
Davis	Knutson	Pehler	Setzepfandt	Wegener
Dicklich	Kroening	Penny	Sieloff	Willet

Those who voted in the negative were:

Bang	Berglin	Knoll	Moe, D. M.	Spear
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So the bill passed and its title was agreed to.

H. F. No. 2: A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, 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 63 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Solon
Bang	Engler	Langseth	Peterson, D. L.	Stern
Belanger	Frank	Lantry	Peterson, R. W.	Stokowski
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Lindgren	Pillsbury	Taylor
Berglin	Hanson	Luther	Purfeerst	Tennesen
Bernhagen	Hughes	Menning	Ramstad	Ulland
Bertram	Humphrey	Moe, D. M.	Renneke	Vega
Brataas	Johnson	Moe, R. D.	Rued	Waldorf
Chmielewski	Keefe	Nelson	Schmitz	Wegener
Dahl	Knoll	Olhoft	Setzepfandt	Willet
Davis	Knutson	Pehler	Sieloff	
Dicklich	Kroening	Penny	Sikorski	

Messrs. Davies and Spear voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 126: A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; proposing new law coded in Minnesota Statutes, Chapter 378.

Was read the third time 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	Dieterich	Lantry	Peterson, R. W.	Stern
Bang	Engler	Lessard	Petty	Stokowski
Belanger	Frank	Lindgren	Pillsbury	Stumpf
Benson	Frederick	Luther	Purfeerst	Taylor
Berg	Frederickson	Menning	Ramstad	Tennessee
Berglin	Hanson	Moe, D. M.	Renneke	Ulland
Bernhagen	Hughes	Moe, R. D.	Rued	Vega
Bertram	Humphrey	Nelson	Schmitz	Waldorf
Brataas	Johnson	Olhoft	Setzpfandt	Wegener
Chmielewski	Knoll	Pehler	Sieloff	Willet
Dahl	Kroening	Penny	Sikorski	
Davis	Kronebusch	Peterson, C. C.	Solon	
Dicklich	Langseth	Peterson, D. L.	Spear	

Messrs. Davies and Keefe voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 980: A bill for an act relating to state lands; providing for the lease of certain lands to the city of Hastings.

Was read the third time 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:

Ashbach	Frederick	Lessard	Peterson, R. W.	Solon
Bang	Hanson	Lindgren	Petty	Spear
Belanger	Hughes	Luther	Pillsbury	Stern
Berglin	Humphrey	Menning	Purfeerst	Stokowski
Brataas	Johnson	Moe, D. M.	Ramstad	Stumpf
Chmielewski	Keefe	Moe, R. D.	Renneke	Taylor
Dahl	Knoll	Nelson	Rued	Vega
Dicklich	Kroening	Olhoft	Schmitz	Waldorf
Dieterich	Kronebusch	Penny	Setzpfandt	Wegener
Engler	Langseth	Peterson, C. C.	Sieloff	Willet
Frank	Lantry	Peterson, D. L.	Sikorski	

Those who voted in the negative were:

Benson	Bernhagen	Davies	Frederickson	Tennessee
Berg	Bertram	Davis	Pehler	Ulland

So the bill passed and its title was agreed to.

H. F. No. 562: A bill for an act relating to agriculture; regulating fertilizers and soil and plant amendments; providing a penalty; amending Minnesota Statutes 1980, Sections 17.711; 17.713; 17.714; 17.716, by adding subdivisions; 17.717, Subdivisions 4, 5 and by adding a subdivision; 17.718, Subdivision 1; 17.719; 17.72; 17.721; 17.722; 17.723; 17.725; 17.726; 17.727; 17.728, Subdivision 1; 17.729; repealing Minnesota Statutes 1980, Section 17.717, 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Peterson, D. L.	Spear
Bang	Dieterich	Langseth	Peterson, R. W.	Stern
Belanger	Engler	Lantry	Petty	Stokowski
Benson	Frank	Lindgren	Pillsbury	Stumpf
Berg	Frederick	Luther	Purfeerst	Taylor
Berglin	Frederickson	Menning	Ramstad	Tennessee
Bernhagen	Hanson	Moe, D. M.	Renneke	Ulland
Bertram	Hughes	Moe, R. D.	Rued	Vega
Brataas	Humphrey	Nelson	Schmitz	Waldorf
Chmielewski	Johnson	Olhoft	Setzepfandt	Wegener
Dahl	Keefe	Pehler	Sieloff	Willet
Davies	Knoll	Penny	Sikorski	
Davis	Kroening	Peterson, C. C.	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1243: A bill for an act relating to handicapped persons; providing that certain social services be available to recipients of attendant care; proposing new law coded in Minnesota Statutes, Chapter 256C.

Was read the third time 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:

Ashbach	Dicklich	Kronebusch	Peterson, R. W.	Stokowski
Bang	Dieterich	Langseth	Petty	Stumpf
Belanger	Engler	Lantry	Pillsbury	Taylor
Benson	Frank	Lessard	Purfeerst	Tennessee
Berg	Frederick	Luther	Ramstad	Ulland
Berglin	Frederickson	Menning	Renneke	Vega
Bernhagen	Hanson	Moe, D. M.	Schmitz	Waldorf
Bertram	Hughes	Moe, R. D.	Setzepfandt	Wegener
Brataas	Humphrey	Nelson	Sieloff	Willet
Chmielewski	Johnson	Olhoft	Sikorski	
Dahl	Keefe	Pehler	Solon	
Davies	Knoll	Penny	Spear	
Davis	Kroening	Peterson, C. C.	Stern	

Messrs. Lindgren; Peterson, D.L. and Rued voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 921: A bill for an act relating to motor vehicles; adjusting bond provisions for dealers; requiring bonds for motorized bicycle dealers; amending Minnesota Statutes 1980, Section 168.27, Subdivision 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Berglin	Dahl	Engler	Hughes
Bang	Bernhagen	Davies	Frank	Humphrey
Belanger	Bertram	Davis	Frederick	Johnson
Benson	Brataas	Dicklich	Frederickson	Keefe
Berg	Chmielewski	Dieterich	Hanson	Knoll

Kroening	Moe, D. M.	Peterson, R. W.	Sieloff	Tennessee
Kronebusch	Moe, R. D.	Petty	Sikorski	Ulland
Langseth	Nelson	Pillsbury	Solon	Vega
Lantry	Olhoft	Ramstad	Spear	Waldorf
Lessard	Pehler	Renneke	Stern	Wegener
Lindgren	Penny	Rued	Stokowski	Willett
Luther	Peterson, C. C.	Schmitz	Stumpf	
Menning	Peterson, D. L.	Setzepfandt	Taylor	

So the bill passed and its title was agreed to.

H. F. No. 217: A bill for an act relating to state trails; authorizing the conveyance of certain lands acquired by the department of natural resources for trail purposes.

Was read the third time 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:

Ashbach	Dieterich	Lantry	Peterson, R. W.	Stokowski
Bang	Engler	Lessard	Petty	Stumpf
Belanger	Frank	Lindgren	Pillsbury	Taylor
Benson	Frederick	Luther	Ramstad	Tennessee
Berg	Frederickson	Menning	Renneke	Ulland
Berglin	Hanson	Moe, D. M.	Rued	Vega
Bernhagen	Hughes	Moe, R. D.	Schmitz	Waldorf
Bertram	Humphrey	Nelson	Setzepfandt	Wegener
Brataas	Johnson	Olhoft	Sieloff	Willett
Chmielewski	Keefe	Pehler	Sikorski	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C. C.	Spear	
Dicklich	Langseth	Peterson, D. L.	Stern	

Messrs. Dahl, Knoll and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 182: A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

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 48 and nays 16, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Langseth	Peterson, D.L.	Sieloff
Bang	Engler	Lantry	Peterson, R.W.	Sikorski
Belanger	Frederick	Lessard	Petty	Solon
Benson	Frederickson	Lindgren	Pillsbury	Stern
Berg	Hanson	Menning	Purfeerst	Taylor
Bernhagen	Hughes	Moe, R. D.	Ramstad	Tennesen
Bertram	Humphrey	Nelson	Renneke	Ulland
Brataas	Keefe	Olhoft	Rued	Wegener
Dahl	Knoll	Pehler	Schmitz	
Davies	Kronebusch	Peterson, C.C.	Setzepfandt	

Those who voted in the negative were:

Berglin	Frank	Luther	Spear	Vega
Chmielewski	Johnson	Moe, D. M.	Stokowski	Waldorf
Dicklich	Kroening	Penny	Stumpf	Willet
Dieterich				

So the bill passed and its title was agreed to.

S. F. No. 1084: A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1980, Section 340.14, 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 26 and nays 38, as follows:

Those who voted in the affirmative were:

Bang	Johnson	Moe, D. M.	Purfeerst	Stokowski
Belanger	Keefe	Moe, R. D.	Ramstad	Tennesen
Brataas	Knoll	Nelson	Rued	
Dicklich	Lantry	Peterson, R.W.	Sieloff	
Dieterich	Lessard	Petty	Sikorski	
Hanson	Luther	Pillsbury	Spear	

Those who voted in the negative were:

Ashbach	Davies	Knutson	Peterson, C.C.	Taylor
Benson	Davis	Kroening	Peterson, D.L.	Ulland
Berg	Engler	Kronebusch	Renneke	Vega
Berglin	Frank	Langseth	Schmitz	Waldorf
Bernhagen	Frederick	Menning	Setzepfandt	Wegener
Bertram	Frederickson	Olhoft	Solon	Willet
Chmielewski	Hughes	Pehler	Stern	
Dahl	Humphrey	Penny	Stumpf	

So the bill failed to pass.

RECONSIDERATION

Mr. Frederick moved that the vote whereby S. F. No. 1084 failed to pass the Senate on May 6, 1981, be now reconsidered.

The question was taken on the adoption of the motion.

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

Those who voted in the affirmative were:

Ashbach	Dieterich	Knoll	Penny	Solon
Bang	Engler	Kronebusch	Peterson, R. W.	Spear
Belanger	Frank	Langseth	Petty	Stern
Benson	Frederick	Lantry	Pillsbury	Stokowski
Berg	Frederickson	Lessard	Purfeerst	Stumpf
Berglin	Hanson	Luther	Ramstad	Tennessee
Brataas	Hughes	Moe, D. M.	Schmitz	Ulland
Dahl	Humphrey	Moe, R. D.	Setzepfandt	Vega
Davies	Johnson	Nelson	Sieloff	
Dicklich	Keefe	Pehler	Sikorski	

Those who voted in the negative were:

Bernhagen	Knutson	Olhoft	Renneke	Waldorf
Bertram	Kroening	Peterson, C. C.	Rued	Wegener
Chmielewski	Menning	Peterson, D. L.	Taylor	Willet
Davis				

The motion prevailed.

Mr. Stern moved that S. F. No. 1084 be stricken and placed on General Orders. The motion prevailed.

H. F. No. 473: A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

Was read the third time 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 17, as follows:

Those who voted in the affirmative were:

Benson	Hanson	Luther	Petty	Stumpf
Berglin	Hughes	Menning	Purfeerst	Taylor
Bertram	Humphrey	Moe, D. M.	Ramstad	Tennessee
Chmielewski	Johnson	Moe, R. D.	Schmitz	Ulland
Dahl	Knoll	Nelson	Sieloff	Vega
Davies	Kroening	Olhoft	Sikorski	Waldorf
Davis	Langseth	Pehler	Solon	Willet
Dicklich	Lantry	Penny	Spear	
Dieterich	Lessard	Peterson, C. C.	Stern	
Frank	Lindgren	Peterson, R. W.	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Keefe	Pillsbury	Wegener
Bang	Engler	Knutson	Renneke	
Belanger	Frederick	Kronebusch	Rued	
Bernhagen	Frederickson	Peterson, D. L.	Setzepfandt	

So the bill passed and its title was agreed to.

S. F. No. 1079: A bill for an act relating to retirement; providing for an exemption from membership therein for city managers; modifying the income taxation of deferred compensation contributions by certain city managers; amending Minnesota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 353.

Was read the third time 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 8, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knoll	Olhoff	Sikorski
Bang	Dicklich	Kroening	Pehler	Solon
Belanger	Engler	Kronebusch	Penny	Stern
Benson	Frank	Langseth	Peterson, D. L.	Stokowski
Berg	Frederick	Lantry	Peterson, R. W.	Stumpf
Berglin	Frederickson	Lessard	Petty	Taylor
Bernhagen	Hanson	Lindgren	Pillsbury	Tennessee
Bertram	Hughes	Luther	Ramstad	Ulland
Chmielewski	Humphrey	Menning	Renneke	Waldorf
Dahl	Johnson	Moe, R. D.	Rued	Wegener
Davies	Keefe	Nelson	Schmitz	

Those who voted in the negative were:

Brataas	Moe, D. M.	Setzepfandt	Vega	Willet
Dieterich	Peterson, C. C.	Sieloff		

So the bill passed and its title was agreed to.

H. F. No. 142: A bill for an act relating to taxation; real property; extending 3 classification to certain property used for recreational purposes; amending Minnesota Statutes 1980, Section 273.13, 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 62 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, R. W.	Stern
Bang	Frank	Lessard	Petty	Stokowski
Belanger	Frederick	Lindgren	Pillsbury	Stumpf
Benson	Frederickson	Luther	Purfeerst	Taylor
Berg	Hanson	Menning	Ramstad	Tennessee
Berglin	Hughes	Moe, D. M.	Renneke	Ulland
Bernhagen	Humphrey	Moe, R. D.	Rued	Vega
Bertram	Johnson	Nelson	Schmitz	Waldorf
Brataas	Keefe	Olhoff	Setzepfandt	Wegener
Chmielewski	Knoll	Pehler	Sieloff	Willet
Dahl	Kroening	Penny	Sikorski	
Davis	Kronebusch	Peterson, C. C.	Solon	
Dicklich	Langseth	Peterson, D. L.	Spear	

Messrs. Davies and Dieterich voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1323: A bill for an act relating to local government; Lake County, Independent School District No. 381, and the town of Beaver Bay; providing for the valuation and assessment for property taxes of certain unique mining property.

Was read the third time 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	Dieterich	Langseth	Peterson, R. W.	Stern
Bang	Engler	Lantry	Petty	Stokowski
Belanger	Frank	Lessard	Pillsbury	Stumpf
Benson	Frederick	Lindgren	Purfeerst	Taylor
Berg	Frederickson	Luther	Ramstad	Tennessee
Berglin	Hanson	Menning	Renneke	Ulland
Bernhagen	Hughes	Moe, D. M.	Rued	Vega
Bertram	Humphrey	Moe, R. D.	Schmitz	Waldorf
Brataas	Johnson	Nelson	Setzepfandt	Wegener
Chmielewski	Keefe	Olhoft	Sieloff	Willet
Dahl	Knoll	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

Messrs. Davies and Peterson, D.L. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1305: A bill for an act relating to the city of Duluth and the city of Cloquet and the city of Hermantown; providing tax and bond financing for the Duluth transit authority; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; requiring the public utilities commission to set the terms for water service to be provided by the city of Duluth to the city of Hermantown unless the cities conclude a contract governing those services; amending Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended; and Section 13.

With the unanimous consent of the Senate, Mr. Solon moved to amend S. F. No. 1305 as follows:

Pages 2 and 3, delete section 2

Page 3, line 33, delete "Subject to" and delete "each of"

Page 3, line 33, delete "sections" and insert "section"

Page 3, line 34, delete "and 2 each"

Page 3, line 35, delete "3" and insert "2"

Page 3, line 36, delete "4" and insert "3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "providing tax and bond"

Page 1, line 4, delete everything before "extending"

Page 1, line 12, delete "; and"

Page 1, line 13, delete "Section 13"

The motion prevailed. So the amendment was adopted.

S. F. No. 1305: A bill for an act relating to the city of Duluth and the city of Cloquet and the city of Hermantown; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; requiring the public utilities commission to set the terms for water service to be provided by the city of Duluth to the city of Hermantown unless the cities conclude a contract governing those services; amending Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended.

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 57 and nays 5, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lessard	Pillsbury	Stokowski
Belanger	Frank	Lindgren	Purfeerst	Stumpf
Berg	Frederick	Luther	Ramstad	Taylor
Berglin	Frederickson	Menning	Renneke	Tennessee
Bernhagen	Hanson	Moe, D. M.	Rued	Ulland
Brataas	Hughes	Moe, R. D.	Schmitz	Vega
Chmielewski	Humphrey	Nelson	Setzepfandt	Waldorf
Dahl	Johnson	Pehler	Sieloff	Wegener
Davies	Knoll	Penny	Sikorski	Willet
Davis	Kroening	Peterson, C. C.	Solon	
Dicklich	Kronebusch	Peterson, R. W.	Spear	
Dieterich	Lantry	Petty	Stern	

Those who voted in the negative were:

Ashbach	Benson	Keefe	Olhoft	Peterson, D.L.
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So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Spear moved that the report from the Committee on Public Employees and Pensions, reported May 5, 1981, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Spear moved that the foregoing report be now adopted. The motion prevailed.

Mr. Spear moved that in accordance with the report from the Committee on Public Employees and Pensions, reported May 5, 1981, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE BOARD OF INVESTMENT EXECUTIVE SECRETARY

Jonathan P. White, 1485 Transit Avenue, Roseville, Ramsey County, effective April 2, 1979, for an indeterminate term.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 36 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Luther	Peterson, R. W.	Stumpf
Bang	Frederickson	Menning	Petty	Taylor
Belanger	Hughes	Moe, D. M.	Pillsbury	Tennessee
Benson	Humphrey	Moe, R. D.	Ramstad	Willet
Berglin	Keefe	Nelson	Renneke	
Dahl	Knoll	Olhoft	Sieloff	
Davies	Kronebusch	Penny	Spear	
Engler	Lessard	Peterson, D.L.	Stern	

Those who voted in the negative were:

Bertram	Frank	Lantry	Schmitz	Stokowski
Davis	Johnson	Pehler	Setzepfandt	Ulland
Dicklich	Kroening	Peterson, C.C.	Sikorski	Vega
Dieterich	Langseth	Purfeerst	Solon	

The motion prevailed. So the appointment was confirmed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

SUSPENSION OF RULES

Without objection, the lie over requirement was suspended.

CONSENT CALENDAR

S.F. No. 1237: A bill for an act relating to taxation; extending the special levy for shade tree disease control by two years; amending Minnesota Statutes 1980, Section 275.50, 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 58 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, D.L.	Stern
Bang	Engler	Langseth	Peterson, R.W.	Stokowski
Belanger	Frank	Lantry	Petty	Stumpf
Benson	Frederick	Lessard	Pillsbury	Taylor
Berg	Frederickson	Lindgren	Purfeerst	Tennesen
Berglin	Hanson	Luther	Ramstad	Ulland
Bernhagen	Hughes	Moe, D. M.	Renneke	Vega
Chmielewski	Humphrey	Moe, R. D.	Schmitz	Waldorf
Dahl	Johnson	Nelson	Setzepfandt	Wegeier
Davis	Keefe	Olhoft	Sieloff	Willet
Davis	Knoll	Pehler	Sikorski	
Dicklich	Kroening	Penny	Spear	

Messrs. Bertram and Peterson, C.C. 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. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. 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. Vega, Knutson, Humphrey, Peterson, R.W. and Davis introduced—

S.F. No. 1405: A bill for an act relating to education; adjusting amounts used to compute replacement levies and foundation aid in districts where the

number of pupil units have increased in the 1980-1981 school year; amending Minnesota Statutes 1980, Section 124.212, by adding a subdivision.

Referred to the Committee on Education.

Mr. Sieloff introduced—

S.F. No. 1406: A bill for an act relating to liens for improvements made to real property; prescribing notice requirements to owners by subcontractors; defining owner; amending Minnesota Statutes 1980, Section 514.011, Subdivisions 2 and 5.

Referred to the Committee on Judiciary.

Mr. Langseth introduced—

S.F. No. 1407: A bill for an act relating to taxation; allowing home rule charter and statutory cities to impose a tax on the gross receipts from sales of lodging; proposing new law coded in Minnesota Statutes, Chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Davis in the chair.

After some time spent therein, the committee arose, and Mr. Davis reported that the committee had considered the following:

S. F. No. 659, which the committee recommends be returned to the Committee on Commerce.

S. F. No. 831, which the committee recommends be returned to the Committee on Commerce.

S. F. No. 287, which the committee recommends to pass with the following amendments offered by Mr. Waldorf:

Mr. Waldorf moved to amend S. F. No. 287 as follows:

Page 1, line 18, before "No" insert "*Notwithstanding the provisions of section 15.162, subdivision 4,*"

The motion prevailed. So the amendment was adopted.

Mr. Waldorf then moved to amend S. F. No. 287 as follows:

Page 2, after line 20, insert:

"For the purposes of this section, "abortion" means the use of any means to terminate the pregnancy of a woman known to be pregnant with knowledge that the termination with those means will, with reasonable likelihood, cause the death of the fetus, and "fetus" means any individual human organism from fertilization until birth."

Page 2, line 35, delete "*shall be*" both times and insert "*is*" in both places

Page 2, line 36, delete "*grounds*" and insert "*ground*"

Page 3, line 2, after "*person*" insert "*establishes written evidence that the*

person”

Page 3, delete lines 3 and 4 and insert “*evidence sufficient to convince a careful and prudent person that the representations of the pregnant woman regarding information necessary to comply with this section are bona fide and true, or if*”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 46 and nays 11, as follows:

Those who voted in the affirmative were:

Belanger	Frank	Langseth	Penny	Solon
Benson	Frederickson	Lantry	Peterson, C. C.	Stokowski
Berg	Hanson	Lessard	Peterson, D. L.	Stumpf
Bernhagen	Hughes	Lindgren	Purfeerst	Vega
Bertram	Humphrey	Luther	Renneke	Waldorf
Chmielewski	Johnson	Menning	Rued	Wegener
Dahl	Keefe	Merriam	Schmitz	
Davis	Knoll	Moe, R. D.	Setzepfandt	
Dieterich	Kroening	Olhoff	Sieloff	
Engler	Kronebusch	Pehler	Sikorski	

Those who voted in the negative were:

Bang	Nelson	Petty	Ramstad	Tennessee
Davies	Peterson, R. W.	Pillsbury	Stern	Ulland
Dicklich				

The motion prevailed. So the amendment was adopted.

Mr. Waldorf then moved to amend S. F. No. 287 as follows:

Page 1, line 19, after “*minor*” insert “*woman who is unmarried and is living with her parent*”

Page 1, line 25, delete “(a)”

Page 2, line 1, delete “*and the putative father’s parent*”

Page 2, line 2, delete “*parents*” and insert “*parent’s*”

Page 2, line 4, delete “*or the putative father*”

Page 2, delete lines 5 to 9

Page 2, line 10, after “*the*” insert “*personal*” and delete “*clauses (a) and (b)*” and insert “*this subdivision*”

Page 2, line 12, delete “*in clauses (a) and (b)*”

Page 2, after line 12, insert:

“*After mailing, time of delivery shall be deemed to occur at 12 o’clock noon on the next day on which regular mail delivery takes place.*”

Page 2, line 14, delete “*, or*”

Page 2, line 15, delete everything before “*if*”

Page 2, line 16, delete “*, or one parent of*”

Page 2, line 17, delete everything before the first “*if*”

Page 2, line 19, delete the last comma

Page 2, line 20, delete everything before "has"

Page 3, after line 6, insert:

"Subd. 6. If subdivision 2 is temporarily or permanently restrained or enjoined by judicial order, this subdivision shall be enforced. If the restraining order or injunction is stayed or dissolved, or otherwise ceases to have effect, subdivision 2 shall be enforced and this subdivision shall not be enforced.

Notwithstanding the provisions of section 15.162, subdivision 4, no abortion operation shall be performed upon a minor woman who is unmarried and living with her parent or upon a woman for whom a guardian or conservator has been appointed pursuant to sections 525.54 to 525.551 because of a finding of incompetency, until at least 48 hours after written notice of the pending operation has been delivered or judicial authorization obtained in the manner specified in this subdivision.

If the pregnant woman is unmarried and is living with her parent, the notice shall either be delivered personally to her parent or be delivered to the parents' usual places of abode and left with a person of suitable age and discretion residing therein other than the pregnant woman.

In lieu of the personal delivery required by this subdivision notice may be made by certified mail receipted for by the persons specified for delivery. After mailing, time of delivery shall be deemed to occur at 12 o'clock noon on the next day on which regular mail delivery takes place.

(i) If the pregnant woman elects not to allow the notification of one or both of her parents or guardian or conservator, a judge of a court of competent jurisdiction shall, upon petition or motion, and after an appropriate hearing, authorize a physician to perform the abortion if the judge determines that the pregnant woman is mature and capable of giving informed consent to the proposed abortion. If the judge determines that the pregnant woman is not mature, or if the pregnant woman does not claim to be mature, the judge shall determine whether performance of an abortion upon her without notification of her parent, guardian, or conservator would be in her best interests. The judge shall authorize a physician to perform the abortion without notification if the judge concludes that the pregnant woman's best interests would be served by the authorization.

(ii) The pregnant woman may participate in proceedings in the court on her own behalf, and the court may appoint a guardian ad litem for her. The court shall, however, advise her that she has a right to court appointed counsel, and shall, upon her request, provide her with appointed counsel.

(iii) Proceedings in the court under this section shall be confidential and shall be given precedence over other pending matters so that the court may reach a decision promptly and without delay so as to serve the best interests of the pregnant woman. A judge of the court who conducts proceedings under this section shall make written, specific factual findings and legal conclusions supporting his decision and shall order a record of the evidence to be maintained that includes his findings and conclusions.

(iv) An expedited confidential appeal shall be available to any pregnant woman for whom the court denies an order authorizing an abortion without notification. An order authorizing an abortion without notification is not

subject to appeal. No filing fees shall be required under this section of any pregnant woman at either the trial or the appellate level. Access to the trial court for the purposes of bringing a petition or motion, and access to the appellate courts for purposes of making an appeal from denial, shall be available to a pregnant woman 24 hours a day, seven days a week."

Mr. Stern requested division of the amendment as follows:

First portion:

Page 3, after line 6, insert:

"Subd. 6. If subdivision 2 is temporarily or permanently restrained or enjoined by judicial order, this subdivision shall be enforced. If the restraining order or injunction is stayed or dissolved, or otherwise ceases to have effect, subdivision 2 shall be enforced and this subdivision shall not be enforced.

Notwithstanding the provisions of section 15.162, subdivision 4, no abortion operation shall be performed upon a minor woman who is unmarried and living with her parent or upon a woman for whom a guardian or conservator has been appointed pursuant to sections 525.54 to 525.551 because of a finding of incompetency, until at least 48 hours after written notice of the pending operation has been delivered or judicial authorization obtained in the manner specified in this subdivision.

If the pregnant woman is unmarried and is living with her parent, the notice shall either be delivered personally to her parent or be delivered to the parents' usual places of abode and left with a person of suitable age and discretion residing therein other than the pregnant woman.

In lieu of the personal delivery required by this subdivision notice may be made by certified mail receipted for by the persons specified for delivery. After mailing, time of delivery shall be deemed to occur at 12 o'clock noon on the next day on which regular mail delivery takes place.

(i) If the pregnant woman elects not to allow the notification of one or both of her parents or guardian or conservator, a judge of a court of competent jurisdiction shall, upon petition or motion, and after an appropriate hearing, authorize a physician to perform the abortion if the judge determines that the pregnant woman is mature and capable of giving informed consent to the proposed abortion. If the judge determines that the pregnant woman is not mature, or if the pregnant woman does not claim to be mature, the judge shall determine whether performance of an abortion upon her without notification of her parent, guardian, or conservator would be in her best interests. The judge shall authorize a physician to perform the abortion without notification if the judge concludes that the pregnant woman's best interests would be served by the authorization.

(ii) The pregnant woman may participate in proceedings in the court on her own behalf, and the court may appoint a guardian ad litem for her. The court shall, however, advise her that she has a right to court appointed counsel, and shall, upon her request, provide her with appointed counsel.

(iii) Proceedings in the court under this section shall be confidential and shall be given precedence over other pending matters so that the court may reach a decision promptly and without delay so as to serve the best interests of the pregnant woman. A judge of the court who conducts proceedings under this

section shall make written, specific factual findings and legal conclusions supporting his decision and shall order a record of the evidence to be maintained that includes his findings and conclusions.

(iv) An expedited confidential appeal shall be available to any pregnant woman for whom the court denies an order authorizing an abortion without notification. An order authorizing an abortion without notification is not subject to appeal. No filing fees shall be required under this section of any pregnant woman at either the trial or the appellate level. Access to the trial court for the purposes of bringing a petition or motion, and access to the appellate courts for purposes of making an appeal from denial, shall be available to a pregnant woman 24 hours a day, seven days a week."

Second portion:

Page 1, line 19, after "minor" insert "woman who is unmarried and is living with her parent"

Page 1, line 25, delete "(a)"

Page 2, delete lines 5 to 9

Page 2, line 10, after "the" insert "personal" and delete "clauses (a) and (b)" and insert "this subdivision"

Page 2, line 12, delete "in clauses (a) and (b)"

Third portion:

Page 2, line 1, delete "and the putative father's parent"

Page 2, line 2, delete "parents" and insert "parent's"

Page 2, line 4, delete "or the putative father"

Page 2, after line 12, insert:

"After mailing, time of delivery shall be deemed to occur at 12 o'clock noon on the next day on which regular mail delivery takes place."

Page 2, line 14, delete "or"

Page 2, line 15, delete everything before "if"

Page 2, line 16, delete "or one parent of"

Page 2, line 17, delete everything before the first "if"

Page 2, line 19, delete the last comma

Page 2, line 20, delete everything before "has"

Ms. Berglin moved to amend the first portion of the Waldorf amendment to S. F. No. 287 as follows:

Page 3 of the Waldorf amendment, after line 26, insert:

"Subd. 7. [REIMBURSEMENT FOR COURT COSTS.] Any costs incurred by a county for actions arising as a result of the requirements of this section shall be reimbursed to the county by the state with money from the general fund."

Amend the title of S. F. No. 287 as follows:

Page 1, line 4, after the semicolon, insert "providing reimbursement to the county for certain costs;"

The question was taken on the adoption of the Berglin amendment to the Waldorf amendment.

The roll was called, and there were yeas 13 and nays 48, as follows:

Those who voted in the affirmative were:

Berglin	Dieterich	Peterson, R. W.	Spear	Ulland
Davies	Moe, D. M.	Petty	Stern	
Dicklich	Nelson	Pillsbury	Tennessee	

Those who voted in the negative were:

Ashbach	Frank	Kroening	Pehler	Sieloff
Belanger	Frederick	Langseth	Penny	Sikorski
Benson	Frederickson	Lantry	Peterson, C. C.	Solon
Berg	Hanson	Lessard	Peterson, D. L.	Stokowski
Bernhagen	Hughes	Lindgren	Purfeerst	Stumpf
Bertram	Humphrey	Luther	Ramstad	Taylor
Brataas	Johnson	Menning	Renneke	Vega
Chmielewski	Keefe	Merriam	Rued	Waldorf
Davis	Knoll	Moe, R. D.	Schmitz	
Engler	Knutson	Olhoft	Setzeplandt	

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

The question was taken on the adoption of the first portion of the Waldorf amendment.

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

Those who voted in the affirmative were:

Belanger	Frank	Kroening	Pehler	Schmitz
Benson	Frederick	Kronebusch	Penny	Sieloff
Berg	Frederickson	Langseth	Peterson, C. C.	Sikorski
Bernhagen	Hanson	Lantry	Peterson, D. L.	Solon
Bertram	Hughes	Lessard	Peterson, R. W.	Stokowski
Chmielewski	Humphrey	Lindgren	Petty	Stumpf
Dahl	Johnson	Luther	Purfeerst	Taylor
Davies	Keefe	Menning	Ramstad	Vega
Davis	Knoll	Merriam	Renneke	Waldorf
Engler	Knutson	Olhoft	Rued	Willet

Those who voted in the negative were:

Ashbach	Brataas	Moe, D. M.	Spear	Ulland
Bang	Dicklich	Nelson	Stern	
Berglin	Dieterich	Pillsbury	Tennessee	

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 Waldorf amendment. The motion prevailed. So the second portion of the amendment was adopted.

The question was taken on the adoption of the third portion of the Waldorf amendment.

The roll was called, and there were yeas 47 and nays 17, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Kronebusch	Peterson, C. C.	Stumpf
Benson	Frank	Langseth	Peterson, D. L.	Taylor
Berg	Frederickson	Lantry	Purfeerst	Ulland
Bernhagen	Hanson	Lessard	Ramstad	Vega
Bertram	Humphrey	Lindgren	Renneke	Waldorf
Chmielewski	Johnson	Menning	Rued	Wegener
Dahl	Keefe	Merriam	Schmitz	Willet
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Solon	
Dieterich	Kroening	Penny	Stokowski	

Those who voted in the negative were:

Ashbach	Dicklich	Moe, R. D.	Pillsbury	Tennessee
Bang	Hughes	Nelson	Sikorski	
Berglin	Luther	Peterson, R. W.	Spear	
Brataas	Moe, D. M.	Petty	Stern	

The motion prevailed. So the third portion of the amendment was adopted.

Mr. Stern moved to amend S. F. No. 287 as follows:

Page 2, after line 9, insert:

“Personal delivery of the notice shall be made by or accompanied by a qualified counselor who can offer immediate short-term counseling and support to the minor woman and her parent.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 49, as follows:

Those who voted in the affirmative were:

Berglin	Johnson	Moe, R. D.	Petty	Spear
Dicklich	Luther	Nelson	Pillsbury	Stern
Dieterich	Moe, D. M.	Peterson, R. W.	Solon	

Those who voted in the negative were:

Ashbach	Davies	Knoll	Olhoft	Sieloff
Bang	Davis	Knutson	Pehler	Sikorski
Belanger	Engler	Kroening	Penny	Stokowski
Benson	Frank	Kronebusch	Peterson, C. C.	Stumpf
Berg	Frederick	Langseth	Purfeerst	Taylor
Bernhagen	Frederickson	Lantry	Ramstad	Ulland
Bertram	Hanson	Lessard	Renneke	Vega
Brataas	Hughes	Lindgren	Rued	Waldorf
Chmielewski	Humphrey	Menning	Schmitz	Willet
Dahl	Keefe	Merriam	Setzpfandt	

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

Mr. Stern then moved to amend S. F. No. 287 as follows:

Amend the title as follows:

Page 1, line 4, after “persons” insert “, with the intent to prevent the abortions”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 11 and nays 50, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Nelson	Petty	Stern
Berglin	Moe, D. M.	Peterson, R. W.	Pillsbury	Tennessee
Brataas				

Those who voted in the negative were:

Ashbach	Engler	Knutson	Pehler	Sikorski
Belanger	Frank	Kroening	Penny	Solon
Benson	Frederick	Kronebusch	Peterson, C. C.	Spear
Berg	Frederickson	Langseth	Purfeerst	Stokowski
Bernhagen	Hanson	Lantry	Ramstad	Stumpf
Bertram	Hughes	Lessard	Renneke	Taylor
Chmielewski	Humphrey	Lindgren	Rued	Ulland
Dahl	Johnson	Luther	Schmitz	Vega
Davies	Keefe	Menning	Setzepfandt	Waldorf
Davis	Knoll	Olhoft	Sieloff	Willet

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

Mr. Waldorf moved to amend S. F. No. 287 as follows:

Page 1, line 26, delete "either" and insert "be addressed to the parent at his usual place of abode and shall"

Page 2, line 1, delete everything after the first "parent"

Page 2, delete lines 2 to 4 and insert "by the physician or his agent."

Page 2, line 11, delete "may" and insert "shall"

Page 2, line 11, delete everything after "mail"

Page 2, delete line 12 and insert "addressed to the parent at his usual place of abode with return receipt requested and restricted delivery to the addressee so that the postal employee shall only deliver the mail to the authorized addressee."

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 287.

The roll was called, and there were yeas 50 and nays 16, as follows:

Those who voted in the affirmative were:

Belanger	Frederick	Kronebusch	Pehler	Sieloff
Benson	Frederickson	Langseth	Penny	Sikorski
Berg	Hanson	Lantry	Peterson, C. C.	Solon
Bernhagen	Hughes	Lessard	Peterson, D. L.	Stokowski
Bertram	Humphrey	Lindgren	Purfeerst	Stumpf
Chmielewski	Johnson	Luther	Ramstad	Taylor
Dahl	Keefe	Menning	Renneke	Vega
Davis	Knoll	Merriam	Rued	Waldorf
Engler	Knutson	Moe, R. D.	Schmitz	Wegener
Frank	Kroening	Olhoft	Setzepfandt	Willet

Those who voted in the negative were:

Ashbach	Davies	Moe, D. M.	Petty	Stern
Bang	Dicklich	Nelson	Pillsbury	Tennessee
Berglin	Dieterich	Peterson, R. W.	Spear	Ulland
Brataas				

The motion prevailed. So S. F. No. 287 was recommended to pass.

On motion of Mr. Moe, R. D., the report of the Committee of the Whole, as

kept by the Secretary, was adopted.

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. 326 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 326 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 6, 1981

CONFERENCE COMMITTEE REPORT ON H.F. NO. 326

A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1980, Sections 62E.52, Subdivisions 2 and 3; 62E.53, Subdivisions 1 and 2; and 62E.531, Subdivision 2.

May 5, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 326, 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. 326 be further amended as follows:

Page 1, line 24, strike "20" and insert "25"

Page 2, line 3, delete "18" and insert "12"

Page 2, line 6, after "1," insert "*or for services of an intermediate care facility, level 1, for not more than 120 days in a year.*"

Page 2, after line 7, insert

"Qualified expense" does not include a charge incurred by an individual who was a member of a health maintenance organization at the time the expense was incurred if that individual could have received the service at no cost through the health maintenance organization. If that individual could have received the service at reduced cost through the health maintenance organization, but elected instead to pay for the service elsewhere, "qualified expense" includes only the cost that would have been incurred through use of the health maintenance organization."

Page 2, line 33, strike "20" and insert "25"

Page 3, after line 5, insert:

“Sec. 5. [62E.5305] [PROPERTY TRANSFERS.]

A person who has transferred any real or personal property within one year immediately preceding the date of application for assistance under sections 62E.51 to 62E.55 or who transfers the property while receiving assistance under sections 62E.51 to 62E.55 without receiving a reasonable consideration for it is presumed to have done so in order to become or remain eligible for assistance under sections 62E.51 to 62E.55 or to have deprived himself or his spouse of a resource that otherwise might have been used to meet his or their current needs. The person has the burden of overcoming the presumption to the satisfaction of the county agency.”

Page 3, line 6, delete “Sec. 5.” and insert “Sec. 6.”

Page 3, after line 18, insert:

“Sec. 7. Minnesota Statutes 1980, Section 62E.54, is amended by adding a subdivision to read:

Subd. 3. [TRANSFERS PROHIBITED.] The commissioner shall make no transfers between appropriations for the payment of health services under the provisions of sections 62E.51 to 62E.55 and appropriations for other programs of the department of public welfare.

Sec. 8. Minnesota Statutes 1980, Section 256.98, is amended to read:

256.98 [WRONGFULLY OBTAINING ASSISTANCE; THEFT.]

A person who obtains, or attempts to obtain, or aids or abets any person to obtain by means of a wilfully false statement or representation, by intentional concealment of a material fact, or by impersonation or other fraudulent device, assistance to which he is not entitled or assistance greater than that to which he is entitled, or who knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the local agency with intent to defeat the purposes of sections 62E.51 to 62E.55, 256.12, 256.72 to 256.872, chapter 256B, is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2) and (5). The amount of the assistance incorrectly paid shall be the difference between the amount of assistance 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. The amount of any assistance determined to have been incorrectly paid shall be recoverable from the recipient or his estate by the county or the state as a debt due the county or the state or both in proportion to the contribution of each. Any amounts recovered shall be paid to the appropriate units of government in the same manner as provided in section 256.863. To prosecute or to recover assistance wrongfully obtained under this section, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general, may institute a criminal or civil action.”

Page 3, line 19, delete “6” and insert “9”

Page 3, line 22, delete “5” and insert “8”

Amend the title as follows:

Page 1, line 7, after “2” insert “; 62E.54, by adding a subdivision; and 256.98; proposing new law coded in Minnesota Statutes, Chapter 62E”

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

House Conferees: (Signed) James C. Swanson, Lyndon R. Carlson, Robert W. Reif

Senate Conferees: (Signed) Gerry Sikorski, Howard A. Knutson, Tom Nelson

Mr. Sikorski moved that the foregoing recommendations and Conference Committee Report on H. F. No. 326 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. 326 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 55 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knutson	Olhoft	Sikorski
Belanger	Dieterich	Kroening	Pehler	Solon
Berg	Engler	Langseth	Penny	Spear
Berglin	Frank	Lantry	Peterson, C. C.	Stokowski
Bernhagen	Frederick	Lessard	Peterson, R. W.	Stumpf
Bertram	Hanson	Luther	Petty	Tennessee
Brataas	Hughes	Menning	Purfeerst	Ulland
Chmielewski	Humphrey	Merriam	Ramstad	Vega
Dahl	Johnson	Moe, D. M.	Renneke	Waldorf
Davies	Keefe	Moe, R. D.	Schmitz	Wegener
Davis	Knoll	Nelson	Setzepfandt	Willet

Those who voted in the negative were:

Benson	Kronebusch	Peterson, D. L.	Rued	Taylor
Frederickson	Lindgren	Pillsbury	Sieloff	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dieterich moved that H. F. No. 70 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Dieterich 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. 70 and that the rules of the Senate be so far suspended as to give H. F. No. 70 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 70: A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment

aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14; 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

H. F. No. 70 was read the second time.

Mr. Dieterich moved to amend H.F. No. 70 as follows:

Delete everything after the enacting clause, and delete the title, of H. F. No. 70, and insert the language after the enacting clause, and the title, of S. F. No. 150, the Second Engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Ashbach imposed a call of the Senate and requested that a record be

made of those present.

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

Ashbach	Davis	Kroening	Olhoft	Schmitz
Belanger	Dicklich	Kronebusch	Pehler	Setzepfandt
Benson	Dieterich	Langseth	Peterson, C. C.	Sieloff
Berg	Engler	Lantry	Peterson, D. L.	Solon
Berglin	Frederickson	Lessard	Peterson, R. W.	Stumpf.
Bernhagen	Hanson	Lindgren	Petty	Taylor
Bertram	Humphrey	Luther	Pillsbury	Vega
Brataas	Johnson	Merriam	Purfeerst	Waldorf
Chmielewski	Keefe	Moe, D.M.	Ramstad	Wegener
Dahl	Knoll	Moe, R.D.	Renneke	Willet
Davies	Knutson	Nelson	Rued	

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

Mr. Peterson, D.L. moved to amend H. F. No. 70, as amended by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 150.)

Page 2, line 43, delete "\$1,310" and insert "\$1,354"

Page 2, line 45, delete "\$1,348" and insert "\$1,443"

Page 4, after line 15, insert:

"Sec. 7. Minnesota Statutes 1980, Section 124.17, Subdivision 1, is amended to read:

Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For each handicapped pre-kindergarten pupil and each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For 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.

(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 March 1 of each year the department of public welfare 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) 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.

(6)(Expired)

(7)(Expired)

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

(9) Students from families receiving aid to families with dependent children or its successor program, shall be counted as the number of pupil units computed in clauses (4) and (5) of this subdivision, averaged over the current and three prior years."

Page 6, line 15, delete "\$1,310" and insert "\$1,354"

Page 6, line 16, strike "(4)" and "(5)" and insert "(9)"

Page 7, lines 5, 8, 14, 19, and 33, strike "(4)" and "(5)" and insert "(9)"

Page 8, line 10, strike "(4)" and "(5)" and insert "(9)"

Page 8, line 27, delete "\$1,348" and insert "\$1,443"

Page 8, line 29, delete "(4)" and "(5)" and insert "(9)"

Page 9, lines 16, 19 and 26, delete "(4)" and "(5)" and insert "(9)"

Page 9, line 29, delete "\$1,348" and insert "\$1,443"

Page 10, lines 6 and 18, delete "(4)" and "(5)" and insert "(9)"

Page 12, after line 5, insert:

"Sec. ... Minnesota Statutes 1980, Section 124.245, Subdivision 2, is amended to read:

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), and (9). Beginning in the 1980-1981 school year, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) (9); provided that notwithstanding the expiration of Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clauses (6) and (7), pupil units identified in those clauses shall also be included for purposes of the computation of capital expenditure aid for the 1980-1981 school year."

Page 15, line 7, delete "(4)" and "(5)" and insert "(9)"

Page 16, lines 4 and 8, strike "(4)" and "(5)" and insert "(9)"

Page 18, line 31, strike "(4)" and "(5)" and insert "(9)"

Page 21, after line 18, insert:

"Sec. ... Minnesota Statutes 1980, Section 275.125, Subdivision 7b, is amended to read:

Subd. 7b. (1) It is the intention of the legislature that the revenue provided by the discretionary levy authorized in subdivision 7a and by the corresponding portion of foundation aid provided in section 124.212, subdivisions 7c, clause (5), and 7d, clause (5), be used to improve instructional programs in grades kindergarten through 12 and not be used to increase a district's balance in all operating funds above \$165 per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) (9).

(2) In any district where the maximum permissible levy pursuant to subdivision 7a in 1981 or in any year thereafter is determined according to clause (2), part (a), of that subdivision, and where the net unappropriated fund balance in all operating funds has increased between the second June 30 before the levy is certified and the June 30 before the levy is certified, the maximum permissible levy pursuant to subdivision 7a in that year shall be reduced by an amount equal to the product obtained by multiplying

(a) the ratio of

(i) the quotient obtained by dividing the amount of that increase in the balance in all operating funds by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) (9), in the district in the year when the levy is certified, to

(ii) the equalizing factor, times

(b) the district's adjusted assessed valuation for the preceding year.

No levy reduction pursuant to this clause, however, shall exceed an amount equal to the product obtained by multiplying

(a) the ratio of

(i) the difference obtained by subtracting \$165 from the quotient obtained by dividing the total amount of the net unappropriated balance in all operating funds of the district as of the June 30 before the levy is certified, by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) (9), in the district in the year when the levy is certified, to

(ii) the equalizing factor, times

(b) the district's adjusted assessed valuation for the preceding year.

(3) In any district where the maximum permissible levy pursuant to sub-

division 7a in 1981 or in any year thereafter is determined according to clause (2), part (b), of that subdivision, and where the net unappropriated balance in all operating funds has increased between the second June 30 before the levy is certified and the June 30 before the levy is certified, the maximum permissible levy pursuant to subdivision 7a in that year shall be reduced by the total amount of the increase in the balance in all operating funds. No levy reduction pursuant to this clause, however, shall exceed an amount equal to the difference obtained by subtracting

(a) the product obtained by multiplying \$165 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) (9), in the district in the year when the levy is certified, from

(b) the total amount of the net unappropriated balance in all operating funds in the district as of the June 30 before the levy is certified."

Page 31, line 17, delete "\$717,500,000" and insert "\$724,750,000"

Page 31, line 19, delete "\$648,750,000" and insert "\$663,450,000"

Page 31, line 21, delete "\$632,100,000" and insert "\$671,570,000"

Page 31, line 22, delete "\$75,700,000" and insert "\$67,505,000"

Page 31, line 23, delete "\$556,400,000" and insert "\$604,065,000"

Page 62, after line 3, insert a section to read:

"Sec. 20. [DEFICIENCY APPROPRIATION.]

(a) *The sum of \$2,250,000 is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1982, for the payment of a deficiency in funds available for special education aid for fiscal year 1980. This appropriation shall be added to the amounts appropriated for special education aid for fiscal year 1981 in Laws 1979, Chapter 334, Article III, Section 21, Subdivision 2, clause (b).*

(b) *The sum of \$5,695,000 is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1982, for the payment of a deficiency in funds available for special education aid for fiscal year 1981. This appropriation shall be added to the amounts appropriated for special education aid for fiscal year 1981 in Laws 1979, Chapter 334, Article III, Section 21, Subdivision 3, clause (a)."*

Page 62, line 28, delete "\$8,670,700" and insert "\$16,285,000"

Renumber the sections in sequence

Correct the internal references

Amend the title as follows:

Page 1, line 30, after "124.17," insert "Subdivision 1, and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Lindgren	Renneke
Bang	Bernhagen	Frederickson	Peterson, D.L.	Rued
Belanger	Brataas	Keefe	Pillsbury	Taylor
Benson	Engler	Knutson	Ramstad	Ulland

Those who voted in the negative were:

Berglin	Hanson	Luther	Petty	Stumpf
Bertram	Hughes	Menning	Purfeerst	Tennessee
Chmielewski	Humphrey	Moe, D. M.	Schmitz	Vega
Dahl	Johnson	Moe, R. D.	Sieloff	Waldorf
Davies	Knoll	Nelson	Sikorski	Wegener
Davis	Kroening	Olhoft	Solon	Willet
Dicklich	Langseth	Pehler	Spear	
Dieterich	Lantry	Penny	Stern	
Frank	Lessard	Peterson, R. W.	Stokowski	

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

Mr. Rued moved to amend H.F. No. 70, as amended by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 150.)

Page 2, line 43, delete "\$1,310" and insert "\$1,330"

Page 2, line 45, delete "\$1,348" and insert "\$1,381"

Page 4, after line 15, insert:

"Sec. 7. Minnesota Statutes 1980, Section 124.17, Subdivision 1, is amended to read:

Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For each handicapped pre-kindergarten pupil and each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For 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.

(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 March 1 of each year the department of public welfare 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) 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-

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit."

Page 6, line 15, delete "\$1,310" and insert "\$1,330"

Page 8, line 2, strike the period and insert "; plus

(6) [AFDC FOUNDATION AID.] *An amount equal to 105 percent of*

(a) *\$1,265 times the arithmetic average of the ratio of the number of pupil units identified in section 124.17, subdivision 1, clauses (4) and (5), as compiled in Minnesota Statutes 1980, to the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in the 1978-1979, 1979-1980 and 1980-1981 school years, times*

(b) *the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in the 1981-1982 school year."*

Page 8, line 3, strike "(6)" and insert "(7)"

Page 8, line 27, delete "\$1,348" and insert "\$1,381"

Page 9, line 29, delete "\$1,348" and insert "\$1,381"

Page 10, line 10, delete the period and insert "; plus

(6) [AFDC FOUNDATION AID.] *An amount equal to the ratio of \$1,381 to \$1,265 times*

(a) *the amount derived in subdivision 7d, clause (6)(a), times*

(b) *the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in the 1982-1983 school year."*

Page 10, line 11, delete "(6)" and insert "(7)"

Page 31, after line 5, insert:

"Sec. 26. [LEVY ADJUSTMENTS.]

The department of education shall recompute every district's 1980 payable 1981 levy limitations pursuant to Minnesota Statutes 1980, Section 275.125,

Subdivisions 6c, 7a, and 2b or 2c, as applicable, excluding pupil units identified in Minnesota Statutes, Section 124.17, Subdivision 1, Clauses (4) and (5), from the computations. The department shall subtract an amount equal to the difference between the district's actual 1980 payable 1981 levy pursuant to any of those subdivisions and the recomputed limitation, from the corresponding 1981 payable 1982 levy limitation computed for the district pursuant to Minnesota Statutes, Section 275.125, Subdivisions 6c, 7a, and 2a, 2b or 2c, as applicable.

Sec. 27. [AFDC PUPIL UNITS ELIMINATED.]

In 1981 and each year thereafter no district may include pupil units identified in section 124.17, subdivision 1, clauses (4) or (5) in the calculation of its levy as authorized in Minnesota Statutes, Section 275.125, Subdivisions 2b, 2c, 6b, 6c, 7a, 7b and 11a.

Sec. 28. [INSTRUCTION TO THE REVISOR.]

In the Minnesota Statutes, 1981 Supplement and subsequent editions of Minnesota Statutes, the revisor of statutes shall change references to "section 124.17, subdivision 1, clauses (1), (2), (4) and (5)" to "section 124.17, subdivision 1, clauses (1) and (2)" in Minnesota Statutes, Sections 124.212, Subdivision 7d and 275.125, Subdivisions 2b, 2c, 6b, 6c, 7a, 7b and 11a."

Page 31, line 17, delete "\$717,500,000" and insert "\$736,026,500"

Page 31, line 19, delete "\$648,750,000" and insert "\$667,276,500"

Page 31, line 21, delete "\$632,100,000" and insert "\$658,757,850"

Page 31, line 22, delete "\$75,700,000" and insert "\$77,758,000"

Page 31, line 23, delete "\$556,400,000" and insert "\$580,999,850"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon insert "removing certain pupil units from the calculation of school aids and levies; adjusting certain school district levies;"

Page 1, line 31, before "by" insert "Subdivision 1, and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 44, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Kronebusch	Ramstad
Bang	Bernhagen	Frederickson	Lindgren	Renneke
Belanger	Brataas	Keefe	Peterson, D.L.	Rued
Benson	Engler	Knutson	Pillsbury	Taylor

Those who voted in the negative were:

Berglin	Hanson	Luther	Peterson, C.C.	Stern
Bertram	Hughes	Manning	Peterson, R.W.	Stokowski
Chmielewski	Humphrey	Merriam	Petty	Stumpf
Dahl	Johnson	Moe, D. M.	Purfeerst	Tennesen
Davies	Knoll	Moe, R. D.	Schmitz	Vega
Davis	Kroening	Nelson	Setzepfandt	Waldorf
Dicklich	Langseth	Olhoff	Sieloff	Wegener
Dieterich	Lantry	Pehler	Solon	Willet
Frank	Lessard	Penny	Spear	

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

Mr. Taylor moved to amend H. F. No. 70, as amended by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 150.)

Page 2, line 43, delete "\$1,310" and insert "\$1,317"

Page 2, line 45, delete "\$1,348" and insert "\$1,355"

Page 4, after line 15, insert:

"Sec. 7. Minnesota Statutes 1980, Section 124.17, Subdivision 1, is amended to read:

Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For each handicapped pre-kindergarten pupil and each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For 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.

(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 March 1 of each year the department of public welfare 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) 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.

(6)(Expired)

(7)(Expired)

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance-cost per pupil unit.

(9) Students from families receiving aid to families with dependent children or its successor program, shall be counted as the number of pupil units computed in clauses (4) and (5) of this subdivision, averaged over the current and three prior years.

Page 6, line 15, delete "\$1,310" and insert "\$1,317"

Page 6, line 16, strike "(4)" and "(5)" and insert "(9)"

Page 7, lines 5, 8, 14, 19, and 33, strike "(4)" and "(5)" and insert "(9)"

Page 8, line 10, strike "(4)" and "(5)" and insert "(9)"

Page 8, line 27, delete "\$1,348" and insert "\$1,355"

Page 8, line 29, delete "(4)" and "(5)" and insert "(9)"

Page 9, lines 16, 19 and 26, delete "(4)" and "(5)" and insert "(9)"

Page 9, line 29, delete "\$1,348" and insert "\$1,355"

Page 10, lines 6 and 18, delete "(4)" and "(5)" and insert "(9)"

Page 12, after line 5, insert:

"Sec. ... Minnesota Statutes 1980, Section 124.245, Subdivision 2, is amended to read:

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), and (9). Beginning in the 1980-1981 school year, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), ~~(4)~~ and ~~(5)~~ (9); provided that notwithstanding the expiration of Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clauses (6) and (7), pupil units identified in those clauses shall also be included for purposes of the computation of capital expenditure aid for the 1980-1981 school year."

Page 15, line 7, delete "(4)" and "(5)" and insert "(9)"

Page 16, lines 4 and 8, strike "(4)" and "(5)" and insert "(9)"

Page 18, line 31, strike "(4)" and "(5)" and insert "(9)"

Page 21, after line 18, insert:

"Sec. ... Minnesota Statutes 1980, Section 275.125, Subdivision 7b, is

amended to read:

Subd. 7b. (1) It is the intention of the legislature that the revenue provided by the discretionary levy authorized in subdivision 7a and by the corresponding portion of foundation aid provided in section 124.212, subdivisions 7c, clause (5), and 7d, clause (5), be used to improve instructional programs in grades kindergarten through 12 and not be used to increase a district's balance in all operating funds above \$165 per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), ~~(4)~~ and ~~(5)~~ (9).

(2) In any district where the maximum permissible levy pursuant to subdivision 7a in 1981 or in any year thereafter is determined according to clause (2), part (a), of that subdivision, and where the net unappropriated fund balance in all operating funds has increased between the second June 30 before the levy is certified and the June 30 before the levy is certified, the maximum permissible levy pursuant to subdivision 7a in that year shall be reduced by an amount equal to the product obtained by multiplying

(a) the ratio of

(i) the quotient obtained by dividing the amount of that increase in the balance in all operating funds by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), ~~(4)~~ and ~~(5)~~ (9), in the district in the year when the levy is certified, to

(ii) the equalizing factor, times

(b) the district's adjusted assessed valuation for the preceding year.

No levy reduction pursuant to this clause, however, shall exceed an amount equal to the product obtained by multiplying

(a) the ratio of

(i) the difference obtained by subtracting \$165 from the quotient obtained by dividing the total amount of the net unappropriated balance in all operating funds of the district as of the June 30 before the levy is certified, by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), ~~(4)~~ and ~~(5)~~ (9), in the district in the year when the levy is certified, to

(ii) the equalizing factor, times

(b) the district's adjusted assessed valuation for the preceding year.

(3) In any district where the maximum permissible levy pursuant to subdivision 7a in 1981 or in any year thereafter is determined according to clause (2), part (b), of that subdivision, and where the net unappropriated balance in all operating funds has increased between the second June 30 before the levy is certified and the June 30 before the levy is certified, the maximum permissible levy pursuant to subdivision 7a in that year shall be reduced by the total amount of the increase in the balance in all operating funds. No levy reduction pursuant to this clause, however, shall exceed an amount equal to the difference obtained by subtracting

(a) the product obtained by multiplying \$165 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), ~~(4)~~ and ~~(5)~~ (9), in the district in the year when the levy is certified, from

(b) the total amount of the net unappropriated balance in all operating funds

in the district as of the June 30 before the levy is certified."

Renumber the sections in sequence

Correct the internal references

Amend the title as follows:

Page 1, line 30, after "124.17," insert "Subdivision I, and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederickson	Lindgren	Renneke
Bang	Bernhagen	Keefe	Peterson, D.L.	Rued
Belanger	Brataas	Knutson	Pillsbury	Taylor
Benson	Engler	Kronebusch	Ramstad	Ulland

Those who voted in the negative were:

Berglin	Hanson	Luther	Peterson, C.C.	Spear
Bertram	Hughes	Menning	Peterson, R.W.	Stern
Chmielewski	Humphrey	Merriam	Petty	Stokowski
Dahl	Johnson	Moe, D. M.	Purfeerst	Stumpf
Davies	Knoll	Moe, R. D.	Schmitz	Tennesen
Davis	Kroening	Nelson	Setzepfandt	Vega
Dicklich	Langseth	Olhoft	Sieloff	Waldorf
Dieterich	Lantry	Pehler	Sikorski	Wegener
Frank	Lessard	Penny	Solon	Willet

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

Mr. Lindgren moved to amend H.F. No. 70, as amended by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 150.)

Page 2, line 43, delete "\$1,310" and insert "\$1,338"

Page 2, line 45, delete "\$1,348" and insert "\$1,380"

Pages 4 to 6, delete sections 7 and 8

Page 6, line 15, delete "\$1,310" and insert "\$1,338"

Page 8, line 27, delete "\$1,348" and insert "\$1,380"

Page 8, delete lines 35 and 36

Page 9, delete lines 1 to 19

Renumber the clauses in sequence

Page 9, line 29, delete "\$1,348" and insert "\$1,380"

Page 15, line 34, strike "the"

Page 15, strike line 35

Page 15, line 36, delete "(1)" and strike "the lesser of"

Page 16, line 1, delete "(a)" and strike "one or"

Page 16, line 2, delete "(b)" and strike the remaining language

- Page 16, strike lines 3 to 9
- Page 16, line 10, delete "(2)"
- Page 16, line 11, delete "(a)" and insert "(1)"
- Page 16, line 13, delete "(b)" and insert "(2)"
- Page 16, line 14, delete "(i)" and insert "(a)"
- Page 16, line 17, delete "(ii)" and insert "(b)"
- Page 31, line 9, delete "Section" and insert "Sections 124.20 and"
- Page 31, line 17, delete "\$717,500,000" and insert "\$740,054,000"
- Page 31, line 19, delete "\$648,750,000" and insert "\$671,304,000"
- Page 31, line 21, delete "\$632,100,000" and insert "\$663,049,605"
- Page 31, line 22, delete "\$75,700,000" and insert "\$78,206,000"
- Page 31, line 23, delete "\$556,400,000" and insert "\$584,843,605"
- Page 31, delete lines 25 to 30
- Renumber the remaining subdivision
- Page 34, strike lines 9 to 11
- Page 34, line 12, strike "(9)" and insert "(8)"
- Page 34, line 18, strike "(10)" and insert "(9)"
- Page 34, line 22, delete "(11)" and insert "(10)"
- Page 35, strike line 29
- Page 35, line 30, strike "program"
- Page 50, line 14, strike "Notwithstanding"
- Page 50, strike lines 15 and 16
- Page 50, line 17, strike "apply for"
- Page 50, line 18, strike "special" and "aid" and delete "education" and "and"
- Page 50, line 19, strike "foundation aid" and the period and delete "for the summer program"
- Page 50, line 23, strike "unreimbursed"
- Page 56, strike lines 31 to 33
- Page 56, line 34, strike "(9)" and insert "(8)"
- Page 57, line 4, strike "(10)" and insert "(9)"
- Page 57, line 9, delete "AID"
- Page 57, delete lines 10 to 36
- Page 58, delete lines 1 to 36
- Page 59, delete lines 1 to 7
- Page 59, line 8, delete everything before "A school"

Page 59, after line 34, insert:

"Sec. 14. Minnesota Statutes 1980, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. (1) 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 60 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis.

(2) ~~For special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 60 percent of the difference between the amount of the contract and the foundation aid received by the district for that pupil pursuant to section 124.20, or a pro rata portion of that foundation aid for a pupil who receives services by such a contract on less than a full time summer school basis. This clause shall be effective for the 1977 summer school and thereafter.~~

Page 61, delete section 18

Page 62, line 3, delete "and" and insert "124.32, Subdivision 10;" and after "126.263" insert "; and 126.54"

Page 62, delete lines 10 to 21

Page 62, delete lines 33 to 35

Page 63, line 1, delete "(d)" and insert "(c)"

Page 63, line 7, before "(c)" insert "or"

Page 63, line 7, delete "or (d)"

Page 63, delete lines 20 to 22

Page 63, line 24, delete "(d)" and insert "(c)"

Page 63, line 27, before "(c)" insert "or"

Page 63, line 28, delete "or (d)"

Page 63, delete lines 30 to 36

Page 64, delete lines 1 to 8

Page 64, line 15, delete the commas and after "2" insert "and"

Page 64, line 16, delete "4 and 5"

Renumber the subdivisions in sequence

Page 94, delete lines 7 to 13

Renumber the subdivisions in sequence

Pages 97 to 105, delete sections 4 to 19

Pages 106 to 107, delete section 22

Pages 113 to 115, delete section 36

Page 115, line 5, delete the comma after "13" and insert "; 123.701;

123.702; 123.703; 123.704; 123.705;"

Page 115, delete lines 11 to 15

Page 117, delete lines 12 to 18

Page 118, delete lines 19 to 36

Page 119, delete lines 1 to 36

Page 120, delete lines 1 to 13

Page 120, line 21, delete everything after "subdivisions" and insert "4, 7, 8, 9, 10, 11, 12, 15, 16 and 17"

Page 120, line 22, delete ", and 19"

Page 120, line 23, delete "5, 8, 9" and insert "4, 7, 8,"

Page 120, line 24, delete everything before "shall" and insert "9, 10, 11, 12, 15, 16 and 17"

Page 120, delete lines 26 and 27

Renumber the subdivisions in sequence

Page 138, lines 10 and 11, delete "123.703, Subdivision 3;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete everything after the semicolon

Page 1, delete line 9

Page 1, line 10, delete "project;"

Page 1, line 28, delete "123.705;"

Page 1, lines 30 and 31, delete "124.17, by adding a subdivision; 124.20;"

Page 1, line 37, after "1," insert "1b,"

Page 2, line 5, delete "126.54, Subdivision 1;"

Page 2, line 14, delete "3;"

Page 2, line 19, delete "123.703, Subdivision 3" and insert "123.701 to 123.705"

Page 2, line 19, after the last semicolon insert "124.20;"

Page 2, line 21, after the last semicolon insert "124.32, Subdivision 10;"

Page 2, line 23, after "126.263;" insert "126.54;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 46, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Lindgren	Renneke
Bang	Bernhagen	Frederickson	Peterson, D.L.	Rued
Belanger	Brataas	Keefe	Pillsbury	Sieloff
Benson	Engler	Kronebusch	Ramstad	

Those who voted in the negative were:

Berglin	Hughes	Merriam	Purfeerst	Tennessee
Bertram	Humphrey	Moe, D. M.	Schmitz	Ulland
Chmielewski	Johnson	Moe, R. D.	Setzepfandt	Vega
Dahl	Knoll	Nelson	Sikorski	Waldorf
Davies	Kroening	Olhoft	Solon	Wegener
Davis	Langseth	Pehler	Spear	Willet
Dicklich	Lantry	Penny	Stern	
Dieterich	Lessard	Peterson, C. C.	Stokowski	
Frank	Luther	Peterson, R. W.	Stumpf	
Hanson	Menning	Petty	Taylor	

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

Mr. Ramstad moved to amend H. F. No. 70, as amended by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 150.)

Page 2, line 43, delete "\$1,310" and insert "\$1,335"

Page 2, line 45, delete "\$1,348" and insert "\$1,378"

Page 6, line 15, delete "\$1,310" and insert "\$1,335"

Page 8, line 27, delete "\$1,348" and insert "\$1,378"

Page 9, line 29, delete "\$1,348" and insert "\$1,378"

Page 31, line 17, delete "\$717,500,000" and insert "\$737,637,500"

Page 31, line 19, delete "\$648,750,000" and insert "\$668,887,500"

Page 31, line 21, delete "\$632,100,000" and insert "\$656,701,000"

Page 31, line 22, delete "\$75,700,000" and insert "\$77,937,500"

Page 31, line 23, delete "\$556,400,000" and insert "\$578,763,500"

Page 138, after line 6, insert:

"Sec. 31. Laws 1981, Chapter 1, Section 1, Subdivision 1, is amended to read:

Subdivision 1. [PAYMENT REQUIRED.] *Beginning in 1981*, notwithstanding the provisions of Minnesota Statutes 1980, Sections 16A.15 or 124.77, by August 1, ~~1981~~ *each year*, the commissioner of finance shall draw warrants for *one-quarter* of any amounts appropriated to the commissioner of education, revenue or finance or to the department of education for state aids, payments, reimbursements or fund transfers to or on behalf of school districts, public library systems, educational cooperative service units, and regional management information centers, for the fiscal year ending June 30, 1981, which were withheld pursuant to Minnesota Statutes 1980, Sections 16A.15 and 124.77 because funds in the state treasury were insufficient.

Sec. 32. Laws 1981, Chapter 1, Section 1, Subdivision 4, is amended to read:

Subd. 4. [APPROPRIATION.] The amount necessary to make the ~~payments~~ *payment* required by subdivision 1 *for August 1, 1981* is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1982. *The amount necessary to make the payment required by subdivision 1 for August 1, 1982 is appropriated from the general fund to the department of*

education for the fiscal year ending June 30, 1983. The payments required by subdivision 1 in 1981 and 1982 shall be considered a fiscal year 1982 liability in the fiscal year in which the warrant is drawn for purposes of the state accounting system.

Sec. 33, Laws 1981, Chapter 1, is amended by adding a section to read:

Sec. 8. [SUNSET.]

Laws 1981, Chapter 1, Section 1, Subdivision 1, is repealed effective September 1, 1984.

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 2, line 25, delete "and"

Page 2, line 26, after "21" insert "; and Laws 1981, Chapter 1, Section 1, Subdivisions 1 and 4, and by adding a section"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Keefe	Pillsbury	Ulland
Bang	Brataas	Knutson	Ramstad	
Belanger	Engler	Kronebusch	Renneke	
Benson	Frederick	Lindgren	Rued	
Berg	Frederickson	Peterson, D.L.	Sieloff	

Those who voted in the negative were:

Berglin	Hanson	Luther	Peterson, C. C.	Stern
Bertram	Hughes	Menning	Peterson, R. W.	Stokowski
Chmielewski	Humphrey	Merriam	Petty	Stumpf
Dahl	Johnson	Moe, D. M.	Purfeerst	Taylor
Davies	Knoll	Moe, R. D.	Schmitz	Tennessee
Davis	Kroening	Nelson	Setzpfandt	Vega
Dicklich	Langseth	Olhoft	Sikorski	Waldorf
Dieterich	Lantry	Pehler	Solon	Wegener
Frank	Lessard	Penny	Spear	Willett

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

Mr. Knutson moved to amend H. F. No. 70, as amended by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 150.)

Page 17, line 11, delete "(1)"

Page 17, delete lines 34 to 36

Page 18, delete lines 1 to 10

Page 31, line 17, delete "\$717,500,000" and insert "\$718,084,000"

Page 31, line 19, delete "\$648,750,000" and insert "\$649,334,000"

Page 31, line 21, delete "\$632,100,000" and insert "\$632,776,000"

Page 31, line 23, delete "\$556,400,000" and insert "\$557,076,000"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Ashbach	Berg	Engler	Knutson	Pillsbury
Bang	Bernhagen	Frederick	Kronebusch	Ramstad
Belanger	Brataas	Keefe	Peterson, R. W.	Renneke
Benson				

Those who voted in the negative were:

Berglin	Hanson	Menning	Purfeerst	Stumpf
Bertram	Hughes	Merriam	Rued	Taylor
Chmielewski	Humphrey	Moe, D. M.	Schmitz	Tennesen
Dahl	Johnson	Moe, R. D.	Setzpfandt	Ulland
Davies	Knoll	Nelson	Sieloff	Vega
Davis	Kroening	Olhoff	Sikorski	Waldorf
Dicklich	Langseth	Pehler	Solon	Wegener
Dieterich	Lantry	Penny	Spear	Willet
Frank	Lessard	Peterson, C. C.	Stern	
Frederickson	Luther	Petty	Stokowski	

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

H. F. No. 70 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 28, as follows:

Those who voted in the affirmative were:

Berglin	Humphrey	Moe, D. M.	Petty	Stumpf
Dahl	Johnson	Moe, R. D.	Purfeerst	Tennesen
Davies	Knoll	Nelson	Schmitz	Vega
Dicklich	Kroening	Olhoff	Sikorski	Waldorf
Dieterich	Langseth	Pehler	Solon	Wegener
Frank	Lantry	Penny	Spear	Willet
Hanson	Luther	Peterson, C. C.	Stern	
Hughes	Menning	Peterson, R. W.	Stokowski	

Those who voted in the negative were:

Ashbach	Bertram	Frederickson	Merriam	Setzpfandt
Bang	Brataas	Keefe	Peterson, D. L.	Sieloff
Belanger	Chmielewski	Knutson	Pillsbury	Taylor
Benson	Davis	Kronebusch	Ramstad	Ulland
Berg	Engler	Lessard	Renneke	
Bernhagen	Frederick	Lindgren	Rued	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dieterich moved that S. F. No. 150 be stricken from General Orders and 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. 359: A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost

savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

Senate File No. 359 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 6, 1981

Mr. Peterson, C.C. moved that the Senate do not concur in the amendments by the House to S. F. No. 359, 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. 407:

H. F. No. 407: A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.09, Subdivision 1.

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

Wynia, Ellingson and Kaley have been appointed as such committee on the part of the House.

House File No. 407 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 6, 1981.

Mr. Stern moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 407, 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. 912:

H. F. No. 912: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 144.125; 144.653, Subdivision 1; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256B.15; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223;

298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 485.14; 508.37, by adding a subdivision; 518.155; 518.66; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; Laws 1980, Chapter 614, Section 163; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 508.37, Subdivision 1; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, section 8.

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

Jude, Vellenga and Heinitz have been appointed as such committee on the part of the House.

House File No. 912 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 6, 1981

Mr. Hanson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 912, 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.

RECESS

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

S. F. No. 359: Messrs. Peterson, C.C.; Chmielewski; Moe, D.M.; Nelson

and Benson.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Thursday, May 7, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-NINTH DAY

St. Paul, Minnesota, Thursday, May 7, 1981

The Senate met at 1:00 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Charles Jacobson.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Steloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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. Humphrey was excused from this evening's Session. Mr. Knutson was excused from the Session of today from 1:00 to 1:30 p.m.

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. 126:

H. F. No. 126: A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 378.

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

Anderson, B.; Stumpf and Rees have been appointed as such committee on the part of the House.

House File No. 126 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 6, 1981

Mr. Menning moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 126, 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. 182:

H. F. No. 182: A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

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

Berkelman, Metzen and Ewald have been appointed as such committee on the part of the House.

House File No. 182 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 6, 1981

Mr. Peterson, C. C. moved that the Senate accede to the request of the House

for a Conference Committee on H. F. No. 182, 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. 829:

H. F. No. 829: A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

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

Sarna, McCarron and Anderson, R. have been appointed as such committee on the part of the House.

House File No. 829 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 6, 1981

Mr. Frank moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 829, 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. 242 and 1143.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 6, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 242: A bill for an act relating to taxation; increasing the deduction for tuition, textbooks, and transportation of dependents attending certain schools; amending Minnesota Statutes 1980, Section 290.09, Subdivision 22.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1143: A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public

welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1139, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R. D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S. F. No. 571: A bill for an act relating to Goodhue county; authorizing an increase in the levy limit to allow a levy for county fairs.

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

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

S. F. No. 698: A bill for an act relating to taxation; property; exempting property held longer than three years by a political subdivision for economic development purposes; amending Minnesota Statutes 1980, Section 272.02, Subdivision 5.

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

Page 1, line 14, reinstate the stricken language

Page 1, line 15, reinstate the stricken "exceed" and after the stricken "three" insert "six" and reinstate the stricken "years"

Page 1, line 20, strike "This section is"

Page 1, strike lines 21 and 22

Amend the title as follows:

Page 1, line 2, delete "property;"

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 616 for comparison with 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.
616	1017				

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, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 586 for comparison with 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.
				586	941

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 586 be amended as follows:

Page 1, line 12 to page 4, line 6, delete sections 1 to 3 and insert:

"Section 1. Minnesota Statutes 1980, Section 15.1695, Subdivision 1, is amended to read:

Subdivision 1. When collected, created, or maintained by law enforcement agencies including municipal police departments, county sheriff departments, the bureau of criminal apprehension, the Minnesota state patrol, the peace officers standards and training board, or public prosecutors or defenders:

(a) Data on participants in crime prevention programs including lists of property with identification numbers or evaluations or recommendations related to structural security against unauthorized entry is private; and

(b) Data contained on incident complaint reports, variously called logs or dockets, comprising a chronological record of events, shall be public; provided that data on individuals which could reasonably be used to determine the identity of an undercover agent, informant, or victim of criminal sexual conduct or *intrafamilial sexual abuse* shall be private data on individuals; provided further that any other data classified by law as private or confidential contained in incident complaint reports shall remain private or confidential data.

Sec. 2. Minnesota Statutes 1980, Section 595.02, is amended to read:

595.02 [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of ~~such the~~ attorney be examined as to ~~such the~~ communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of ~~such the~~ person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of ~~such the~~ patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of ~~such the~~ deceased person for the purpose of waiving ~~the this~~ privilege ~~hereinbefore~~ ~~created~~, and no oral or written waiver of the privilege ~~hereinbefore~~ ~~created~~ shall have any binding force or effect except ~~that the same be~~ ~~when~~ made upon

the trial or examination where the evidence is offered or received;

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses. *This exception does not apply to a child under ten years of age, in a criminal proceeding for intrafamilial sexual abuse as defined in section 6, subdivision 10, or in a criminal proceeding under sections 609.342 clause (a), 609.343 clause (a), 609.344 clause (a), or 609.345 clause (a), who is able to describe or relate in language appropriate for a child of that age the events or facts respecting which the child is examined;*

(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

Sec. 3. Minnesota Statutes 1980, Section 609.346, is amended to read:

609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. If a person is convicted of a second or subsequent offense under sections 609.342 to 609.346 or sections 6 to 10 within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

Subd. 2. For the purposes of this section, an offense is considered a second or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.346 or sections 6 to 10 or under any similar statute of the United States, or this or any other state."

Page 4, line 7, delete "Sec. 3" and insert "Sec. 4"

Page 4, line 10, delete "5 to 9" and insert "6 to 10"

Page 4, line 13, delete "Sec. 4" and insert "Sec. 5"

Page 4, lines 19 and 20, delete "section 5, subdivision 7" and insert "section 6, subdivision 10"

Page 4, line 23, strike "such" and insert "the"

Page 4, line 27, delete "Sec. 5" and insert "Sec. 6"

Page 4, line 29, delete "4 to 9" and insert "6 to 10"

Page 4, after line 32, insert:

"Subd. 4. [COERCION.] "Coercion" means a threat to unlawfully inflict bodily harm upon, or hold in confinement, the person threatened or another."

Page 4, line 33, delete "4" and insert "5"

Page 4, after line 35, insert:

"Subd. 6. [CONSENT.] "Consent" means a voluntary uncoerced manifestation of a present agreement to perform a particular sexual act.

Subd. 7. [FORCE.] "Force" means the infliction, attempted infliction, or threatened infliction by the actor of bodily harm or commission or threat of any other crime by the actor against the complainant or another, which causes the complainant to reasonably believe that the actor has the present ability to execute the threat."

Page 4, line 36, delete "5" and insert "8"

Page 5, line 3, delete "6" and insert "9"

Page 5, line 16, delete "7" and insert "10"

Page 5, line 22, delete "8" and insert "11"

Page 5, line 23, delete "over age 15" and insert "age 16 or over"

Page 5, after line 23, insert:

"Subd. 12. [PERSONAL INJURY.] "Personal injury" means bodily harm as defined in section 609.02, subdivision 7, or severe mental anguish, or pregnancy."

Page 5, line 24, delete "9" and insert "13"

Page 5, line 29, delete "or"

Page 5, line 31, delete "or"

Page 5, line 36, delete "10" and insert "14"

Page 6, line 6, delete "Sec. 6" and insert "Sec. 7"

Page 6, delete lines 8 to 13 and insert:

"Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the first degree if:

(1) He has a familial relationship to and engages in sexual penetration with a child; or

(2) He has a familial relationship to and engages in sexual penetration with a child and:

(a) the actor or an accomplice used force or coercion to accomplish the penetration;

(b) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an

extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than 20 years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than 20 years."

Page 6, line 14, delete "Sec. 7" and insert "Sec. 8"

Page 6, delete lines 16 to 21 and insert:

"Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the second degree if:

(1) He has a familial relationship to and engages in sexual contact with a child; or

(2) He has a familial relationship to and engages in sexual contact with a child and:

(a) the actor or an accomplice used force or coercion to accomplish the contact;

(b) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than 15 years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than 15 years."

Page 6, line 22, delete "Sec. 8" and insert "Sec. 9"

Page 6, delete lines 24 to 29 and insert:

"Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the third degree if:

(1) He has a familial relationship to and engages in sexual penetration with a minor; or

(2) He has a familial relationship to and engages in sexual penetration with a minor and:

(a) the actor or an accomplice used force or coercion to accomplish the penetration;

(b) the actor or accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than ten years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than ten years."

Page 6, line 30, delete "Sec. 9" and insert "Sec. 10"

Delete Page 6, line 32 to page 7, line 1 and insert:

"Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the fourth degree if:

(1) He has a familial relationship to and engages in sexual contact with a minor; or

(2) He has a familial relationship to and engages in sexual contact with a minor and:

(a) the actor or an accomplice used force or coercion to accomplish the contact;

(b) the actor or accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than five years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than five years."

Page 7, line 2, delete "Sec. 10" and insert "Sec. 11"

Page 7, line 10, reinstate the stricken "or" and delete "5 to 9" and insert "6

to 10”

Page 7, line 34 to page 8, line 11, delete section 11

Page 8, line 13, delete “2 to 10” and insert “1 to 11”

Amend the title as follows:

Page 1, line 2, delete “authorizing courts to order”

Page 1, delete line 3

Page 1, line 4, delete “domestic abuse cases;”

Page 1, lines 6 and 7, delete “518B.01, Subdivision 6; 595.02;” and insert “15.1695, Subdivision 1; 595.02; 609.346;”

Page 1, lines 7 and 8, delete “and 629.341, Subdivision 1;”

And when so amended H. F. No. 586 will be identical to S.F. No. 941, and further recommends that H. F. No. 586 be given its second reading and substituted for S. F. No. 941, 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. 571 and 698 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 616 and 586 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Humphrey moved that the name of Mr. Langseth be added as co-author to S. F. No. 1096. The motion prevailed.

S. F. No. 145 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 145

A bill for an act relating to crimes; authorizing notices of dishonored checks to be made by certified or regular mail and an affidavit of service by mailing; amending Minnesota Statutes 1980, Section 609.535, Subdivision 3.

April 29, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 145, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 145 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 609.535, Subdivision 3, is amended to read:

Subd. 3. [PROOF OF INTENT.] Any of the following is evidence sufficient to sustain a finding that the person at the time he issued the check or other order for the payment of money, intended it should not be paid:

(1) Proof that, at the time of issuance, he did not have an account with the drawee; or

(2) Proof that, at the time of issuance, he did not have sufficient funds or credit with the drawee and that he failed to pay the check or other order within five business days after mailing of notice of nonpayment or dishonor as provided in this subdivision; or

(3) Proof that, when presentment was made within a reasonable time, the issuer did not have sufficient funds or credit with the drawee and that he failed to pay the check or other order within five business days after mailing of notice of nonpayment or dishonor as provided in this subdivision.

Notice of nonpayment or dishonor shall be sent by the payee or holder of the check to the maker or drawer by certified mail, return receipt requested, or by regular mail, supported by an affidavit of service by mailing, to the address of record printed on the check. Refusal by the maker or drawer of the check to accept certified mail notice or failure to claim certified or regular mail notice shall not constitute a defense that notice was not received.

The notice may state that unless the check is paid in full within five business days after mailing of the notice of non-payment or dishonor, the payee or holder of the check or other order for the payment of money will or may refer the matter to proper authorities for prosecution under this section.

An affidavit of service by mailing shall be retained by the payee or holder of the check.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1981, and applies to all crimes committed on or after that date.”

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

Senate Conferees: (Signed) Mel Frederick, Myrton O. Wegener, Wayne Olhoft

House Conferees: (Signed) Randy C. Kelly, Paul McCarron, O.J. Heinitz

Mr. Wegener moved that the foregoing recommendations and Conference Committee Report on S. F. No. 145 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. 145 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 62 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D. L.	Stern
Bang	Engler	Lantry	Peterson, R. W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, R. D.	Rued	Waldorf
Brataas	Johnson	Nelson	Schmitz	Wegener
Chmielewski	Keefe	Olhoft	Setzepfandt	Willet
Dahl	Knoll	Pehler	Sikorski	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C. C.	Spear	

Mr. Dieterich 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. 121 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 121

A bill for an act relating to statutory cities and urban towns; permitting publication of summaries of ordinances prior to enactment; amending Minnesota Statutes 1980, Sections 368.01, Subdivision 21; and 412.191, Subdivision 4.

April 29, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 121, 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. 121 be further amended as follows:

Page 1, line 16, delete "*complete text*" and insert "*title and a summary*"

Page 1, lines 16 and 17, delete "*is not worth the expense and that a summary*"

Page 1, line 19, delete "*unanimous*" and insert "*four-fifths*"

Page 1, line 19, after "*vote*" insert "*of its members*"

Page 1, line 20, after "*that*" insert "*a*" and delete "*copies*" and insert "*copy*"

Page 1, line 21, delete "are" and insert "is"

Page 1, line 21, delete "to" and insert "for inspection by"

Page 1, line 23, after the period insert "A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the council designates."

Page 1, line 26, after the period, insert "The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published."

Page 2, line 16, delete "complete text" and insert "title and a summary"

Page 2, line 17, delete "is not worth the expense and that a summary"

Page 2, line 19, delete "unanimous" and insert "a four-fifths"

Page 2, line 19, after "vote" insert "of its members"

Page 2, line 21, after "that" insert "a" and delete "copies" and insert "copy"

Page 2, line 21, delete "are" and insert "is"

Page 2, line 21, delete "to" and insert "for inspection by"

Page 2, line 23, delete "council" and insert "town board"

Page 2, line 23, after the period, insert "A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the town board designates."

Page 2, line 26, after the period, insert "The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published."

Amend the title as follows:

Page 1, line 2, after "to" insert "local government; permitting"

Page 1, lines 2 and 3, delete "; permitting publication of" and insert "to publish"

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

Senate Conferees: (Signed) Myrton O. Wegener, James C. Pehler, Dennis R. Frederickson

House Conferees: (Signed) John T. Clawson, Connie M. Levi

Mr. Wegener moved that the foregoing recommendations and Conference Committee Report on S. F. No. 121 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. 121 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 4, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, D. L.	Spear
Bang	Engler	Langseth	Peterson, R. W.	Stern
Belanger	Frank	Lantry	Petty	Stokowski
Benson	Frederick	Lessard	Pillsbury	Stumpf
Berg	Frederickson	Lindgren	Purfeerst	Taylor
Bernhagen	Hanson	Menning	Ramstad	Tennessee
Bertram	Hughes	Moe, R. D.	Renneke	Ulland
Brataas	Humphrey	Nelson	Rued	Vega
Dahl	Johnson	Olhoft	Schmitz	Waldorf
Davies	Keefe	Pehler	Setzepfandt	Wegener
Davis	Knoll	Penny	Sikorski	Willet
Dicklich	Kroening	Peterson, C. C.	Solon	

Ms. Berglin, Messrs. Chmielewski, Luther and Merriam voted in the negative.

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. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

H. F. No. 276: A bill for an act relating to juveniles; prescribing the elements of a prima facie case for referring a child to adult court for criminal prosecution; amending Minnesota Statutes 1980, Section 260.125, 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Peterson, C. C.	Spear
Bang	Dieterich	Langseth	Peterson, D. L.	Stern
Belanger	Engler	Lantry	Peterson, R. W.	Stokowski
Benson	Frank	Lessard	Petty	Stumpf
Berg	Frederick	Lindgren	Pillsbury	Taylor
Berglin	Frederickson	Luther	Purfeerst	Tennessee
Bernhagen	Hanson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Renneke	Vega
Brataas	Humphrey	Moe, R. D.	Rued	Waldorf
Chmielewski	Johnson	Nelson	Schmitz	Wegener
Dahl	Keefe	Olhoft	Setzepfandt	Willet
Davies	Knoll	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 6: A bill for an act relating to commerce; prohibiting the sale of certain petroleum products on any basis other than gross volume; amending Minnesota Statutes 1980, Section 296.05, 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 58 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Stern
Bang	Dieterich	Langseth	Peterson, C.C.	Stokowski
Belanger	Engler	Lantry	Peterson, D.L.	Stumpf
Benson	Frank	Lessard	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessen
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hanson	Menning	Renneke	Vega
Brataas	Hughes	Merriam	Schmitz	Waldorf
Chmielewski	Humphrey	Moe, R. D.	Setzepfandt	Wegener
Dahl	Johnson	Nelson	Sikorski	Willet
Davies	Keefe	Olhoft	Solon	
Davis	Kroening	Pehler	Spear	

Messrs. Peterson, R.W. and Petty voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1262: A bill for an act relating to the Coon Creek watershed district; authorizing an annual administrative levy by the district.

Was read the third time 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:

Ashbach	Dicklich	Kronebusch	Peterson, C.C.	Spear
Bang	Dieterich	Langseth	Peterson, D.L.	Stern
Belanger	Engler	Lantry	Peterson, R.W.	Stokowski
Benson	Frank	Lessard	Petty	Stumpf
Berg	Frederick	Lindgren	Pillsbury	Taylor
Berglin	Frederickson	Luther	Purfeerst	Tennessen
Bernhagen	Hanson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Renneke	Vega
Brataas	Humphrey	Moe, R. D.	Rued	Waldorf
Chmielewski	Johnson	Nelson	Schmitz	Wegener
Dahl	Keefe	Olhoft	Setzepfandt	Willet
Davies	Knoll	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

S. F. No. 1018: A bill for an act relating to taxation; eliminating unnecessary language concerning a property tax exemption for cheese; amending Minnesota Statutes 1980, Sections 272.02, Subdivision 1; 273.115, Subdivisions 1, 2, and 3; and 273.116, 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 59 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Penny	Solon
Bang	Engler	Langseth	Peterson, D. L.	Spear
Belanger	Frank	Lantry	Peterson, R. W.	Stern
Benson	Frederick	Lessard	Petty	Stokowski
Berg	Frederickson	Lindgren	Pillsbury	Stumpf
Berglin	Hanson	Luther	Purfeerst	Taylor
Bernhagen	Hughes	Merriam	Ramstad	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Dahl	Keefe	Moe, R. D.	Rued	Vega
Davies	Knoll	Nelson	Schmitz	Waldorf
Davis	Knutson	Olhoft	Setzepfandt	Wegener
Dicklich	Kroening	Pehler	Sikorski	

Those who voted in the negative were:

Bertram Chmielewski Johnson Peterson, C.C. Willet

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate proceed 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. Wegener, Ulland, Lessard, Rued and Solon introduced—

S.F. No. 1408: A bill for an act relating to public utilities; prohibiting city jurisdiction over securities or indebtedness of a utility; amending Minnesota Statutes 1980, Sections 216B.36; and 216B.49, Subdivision 5.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Wegener introduced—

S.F. No. 1409: A bill for an act relating to education; providing state aid to school district programs for handicapped children; amending Minnesota Statutes 1980, Section 124.32, Subdivision 1.

Referred to the Committee on Education.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Sikorski moved that the following members be excused for a Conference Committee on H. F. No. 1446 at 2:00 p.m.

Messrs. Sikorski, Knutson, Spear, Solon and Ms. Berglin. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Langseth in the chair.

After some time spent therein, the committee arose, and Mr. Langseth

reported that the committee had considered the following:

S. F. No. 636, which the committee recommends to pass.

S. F. No. 897, which the committee recommends be returned to the Committee on Commerce.

H. F. No. 691, which the committee recommends to pass with the following amendment offered by Mrs. Brataas:

Strike the amendment made to H. F. No. 691 by the Committee on Rules and Administration in the report adopted May 1, 1981, pursuant to Rule 49, and strike the Brataas amendment and the Sieloff amendment adopted by the Senate May 5, 1981. Further, amend H. F. No. 691 as follows:

Page 1, line 15, delete "*registered professional*"

Page 1, delete line 16.

Page 1, line 17, delete "*promulgated by the supreme court,*" and insert "*competent stenographer*"

Page 2, line 5, delete "*registered professional reporter, or a court*"

Page 2, delete line 6

Page 2, line 7, delete "*supreme court,*" and insert "*competent stenographer*"

Page 2, line 26, delete "*registered*"

Page 2, line 27, delete the new language and strike "*reporter*"

Page 2, line 28, delete everything before "*shall*" and insert "*competent stenographer*"

The motion prevailed. So the amendment was adopted.

S. F. No. 568, which the committee recommends to pass after the following motions:

Mr. Spear moved to amend S. F. No. 568 as follows:

Page 2, after line 20, insert:

"*The borrower may not be charged costs connected with the renewal of the loan.*"

Page 3, line 14, after the semicolon, insert "*and*"

Page 3, line 16, delete "*; and (d) an estimate of the possible costs of*" and insert a period

Page 3, delete line 17

The motion prevailed. So the amendment was adopted.

Mr. Kroening moved to amend S. F. No. 568 as follows:

Page 2, line 13, delete "*30*" and insert "*60*"

Page 3, line 18, delete "*Thirty*" and insert "*Sixty*"

The motion prevailed. So the amendment was adopted.

Mr. Kroening then moved to amend S.F. No. 568 as follows:

Page 2, line 12, delete "will" and insert "shall"

Page 2, line 12, after "be" insert "no greater than"

The motion prevailed. So the amendment was adopted.

Mr. Frank moved to amend S.F. No. 568 as follows:

Page 2, line 17, delete "or decrease"

The motion prevailed. So the amendment was adopted.

Mr. Vega moved to amend S.F. No. 568 as follows:

Page 1, line 25, delete "three to five" and insert "ten"

Page 2, line 2, delete "three to five" and insert "ten"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 29, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Lantry	Olhoft	Vega
Dicklich	Humphrey	Lessard	Spear	Waldorf
Dieterich	Johnson	Luther	Stokowski	Willet
Frank	Kroening	Menning	Stumpf	

Those who voted in the negative were:

Bang	Davies	Langseth	Peterson, R.W.	Stern
Belanger	Davis	Lindgren	Petty	Taylor
Benson	Frederick	Merriam	Pillsbury	Tennessee
Berg	Frederickson	Pehler	Ramstad	Ulland
Bernhagen	Keefe	Peterson, C.C.	Schmitz	Wegener
Brataas	Kronebusch	Peterson, D.L.	Solon	

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

Mr. Peterson, C.C. moved to amend S.F. No. 568 as follows:

Page 3, delete subdivision 4

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

H. F. No. 131, which the committee recommends to pass after the following motions:

Mr. Hanson moved to amend H. F. No. 131, as amended pursuant to Rule 49, adopted by the Senate April 8, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 154.)

Page 1, line 21, after "(a)" insert "and that 15 days have elapsed since the mailing of the notice required by subdivision 3"

Page 2, line 30, delete "receipt" and insert "mailing"

Page 3, line 6, delete "intentionally"

The motion prevailed. So the amendment was adopted.

Mr. Tennessee moved to amend H. F. No. 131, as amended pursuant to Rule 49, adopted by the Senate April 8, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 154.)

Page 1, line 17, after "releasing" insert "upon written request"

Page 1, line 21, after "(a)" insert ", and has complied with the requirements of subdivision 8,"

Page 2, line 26, after "[NOTICE.]" insert "(a) The provisions of subdivision 6 shall not apply unless the following requirements have been satisfied:

(1) There is reason to believe that the records sought are relevant to a legitimate law enforcement inquiry into a violation of this section or section 609.52, subdivision 2, clause (3) (a);

(2) A copy of the request has been served upon the drawer or mailed to his last known address on or before the date on which the request was served on the drawee together with the following notice which shall state with reasonable specificity the nature of the law enforcement inquiry:

"Records or information concerning your transactions held by the financial institution named in the attached request are being sought by this (authority) for the following purpose: (.....). If you desire that the records or information not be made available, you must:

1. Fill out the accompanying motion paper and sworn statement or write one of your own, stating that you are the drawer whose records are being requested and either giving the reasons you believe that the records are not relevant to the legitimate law enforcement inquiry stated in this notice or any other legal basis for objecting to the release of the records.

2. File the motion and statement by mailing or delivering them to the clerk of any one of the following district courts: (.....).

3. Serve the authority requesting the records by mailing or delivering a copy of your motion and statement to (.....).

4. Be prepared to come to court and present your position in further detail.

5. You do not need to have a lawyer, although you may wish to employ one to represent you and protect your rights.

If you do not follow the above procedures, upon the expiration of 15 business days from the date of service or mailing of this notice, the records or information requested therein will be made available. These records may be transferred to other government authorities for legitimate law enforcement inquiries, in which event you will be notified after the transfer." ; and

(3) Fifteen business days have expired from the date of service of the notice or mailing of the notice to the drawer and within that time period the drawer has not filed a sworn statement and motion to quash in an appropriate court, or a final order of a court of appropriate jurisdiction has been entered in favor of the authority requesting the records.

A drawee shall not release the records of a drawer until the authority seeking the records certifies in writing to the drawee that it has complied with the provisions of this paragraph.

(b)"

Page 2, line 26, delete "subdivisions 6 and" and insert " subdivision"

Page 2, line 30, delete "receipt" and insert "mailing"

Page 3, line 6, delete "intentionally"

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:

Benson	Dicklich	Knoll	Moe, R. D.	Stern
Berglin	Dieterich	Merriam	Peterson, R. W.	Tennessen
Davies	Keefe	Moe, D. M.	Petty	Vega

Those who voted in the negative were:

Ashbach	Engler	Langseth	Peterson, C. C.	Stokowski
Berg	Frank	Lantry	Purfeerst	Taylor
Bernhagen	Frederick	Lessard	Ramstad	Ulland
Bertram	Frederickson	Lindgren	Renneke	Waldorf
Brataas	Hanson	Luther	Rued	Willet
Chmielewski	Hughes	Menning	Schmitz	
Dahl	Humphrey	Olhoff	Setzepfandt	
Davis	Johnson	Penny	Sikorski	

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

Mr. Merriam moved to amend H. F. No. 131, as amended pursuant to Rule 49, adopted by the Senate April 8, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 154.)

Page 3, delete section 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 8

The motion prevailed. So the amendment was adopted.

H. F. No. 604, which the committee recommends to pass with the following amendment offered by Mrs. Stokowski:

Delete everything after the enacting clause and insert:

Section 1. Laws 1981, Chapter 29, Article IV, Section 19, is amended to read:

Sec. 19. [204B.19] [ELECTION JUDGES; QUALIFICATIONS.]

Subdivision 1. [INDIVIDUALS QUALIFIED TO BE ELECTION JUDGES.] Any individual who is eligible to vote in an election precinct is qualified to be appointed as an election judge for that precinct subject to the provisions of this section. If an insufficient number of eligible voters maintaining residence in any precinct are willing and qualified to be appointed election judges for that precinct, the appointing authority may appoint as an election judge for that precinct any qualified individual who is eligible to vote in the territory under the jurisdiction of the authority which established the precinct.

Subd. 2. [INDIVIDUALS NOT QUALIFIED TO BE ELECTION JUDGES.] No individual shall be appointed as an election judge for any

precinct if that individual:

(a) Is unable to read, write or speak the English language;

(b) Is the spouse, parent, child or sibling of any election judge serving in the same precinct or of any candidate at that election or of any member of the governing body of the municipality or county which established the precinct;
or

(c) Is a candidate at that election; or

(d) Is receiving compensation as an employee or officer of the United States, the state or any municipality or county in the state.

Subd. 3. [EXCEPTIONS.] Notwithstanding subdivision 2, clause (d), the following individuals may serve as election judges in municipalities with only one election precinct:

(a) Any town clerk, town treasurer or member of a town board; and

(b) Any city clerk or member of the city council of any statutory city.

Subd. 4 3. [ADDITIONAL QUALIFICATIONS PERMITTED; EXAMINATION.] The appointing authority may establish additional qualifications which are not inconsistent with the provisions of this section and which relate to the ability of an individual to perform the duties of an election judge. The appointing authority may examine any individual who seeks appointment as an election judge to determine whether the individual meets any qualification established under this section.

Subd. 5 4. [PARTY BALANCE REQUIREMENT.] No more than half of the election judges in a precinct may be members of the same major political party unless the election board consists of an odd number of election judges, in which case the number of election judges who are members of the same major political party may be one more than half the number of election judges in that precinct.

Subd. 5. [TIME OFF FROM WORK TO SERVE AS ELECTION JUDGE.] Every individual who is selected to serve as an election judge pursuant to Article IV, Section 21, Subdivision 2 is entitled, after giving his employer at least ten days' written notice, to absent himself from his place of work for the purpose of serving as an election judge. No employer shall penalize an employee for such absence other than a deduction in salary for the time he absented himself from his place of employment.

Sec. 2. Laws 1981, Chapter 29, Article IV, Section 31, is amended to read:

Sec. 31. [204B.31] [COMPENSATION FOR ELECTION SERVICES.]

The compensation for services performed under the Minnesota election law shall be as follows:

(a) To presidential electors from funds appropriated to the secretary of state for this purpose, \$35 for each day of attendance at the capitol and mileage for travel to and from the capitol in the amount allowed for state employees in accordance with rules adopted pursuant to Minnesota Statutes, Section ~~471.665~~ 43.327, Subdivision 4 3 ;

(b) To individuals, other than county, city, or town employees during their

normal work day, who are appointed by the county auditor to carry ballots to or from the county auditor's office, a sum not less than the prevailing Minnesota minimum wage for each hour spent in carrying ballots and mileage in ~~the an amount allowed for state employees in accordance with rules adopted set by the county board~~ pursuant to Minnesota Statutes, Section 471.665, Subdivision 1;

(c) To members of county canvassing boards, a sum not less than the prevailing Minnesota minimum wage for each hour necessarily spent and an amount for each mile of necessary travel ~~equal to the amount allowed for state employees set by the county board~~ pursuant to Minnesota Statutes, Section 471.665, Subdivision 1;

(d) To election judges serving in any city, an amount fixed by the governing body of the city, to election judges serving in unorganized territory, an amount fixed by the county board, and to election judges serving in towns, an amount fixed by the town board. Election judges ~~in towns and unorganized territory~~ shall receive at least the prevailing Minnesota minimum wage for each hour spent carrying out their duties at the polling places *and in attending training sessions required by Article IV, Section 25, Subdivision 1*. An election judge who travels to pick up election supplies or to deliver election returns to the county auditor shall receive, in addition to other compensation authorized by this section, a sum not less than the prevailing Minnesota minimum wage for each hour spent performing these duties, plus mileage in ~~the same an amount as allowed for state employees pursuant to section 471.665, subdivision 1 to be set by the governing body or town board that sets the compensation of the election judge;~~ and

(e) To sergeants at arms, an amount for each hour of service performed at the direction of the election judges, fixed in the same manner as compensation for election judges."

Amend the title as follows:

Page 1, line 5, delete everything after "amending"

Page 1, line 6, delete "and 204A.23" and insert "Laws 1981, Chapter 29, Article IV, Sections 19 and 31"

The motion prevailed. So the amendment was adopted.

H. F. No. 678, which the committee reports progress, subject to the following motions:

Mr. Schmitz moved to amend H.F. No. 678 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 201.071, Subdivision 1, as amended by Laws 1981, Chapter 29, Article II, Section 9, Subdivision 1, is amended to read:

Subdivision 1. [FORM.] Registration cards shall be of suitable size and weight for mailing, and shall contain the following information in substantially the following form:

VOTER REGISTRATION CARD

(Please print or type)

Date:

1. Name: Last First Middle Initial

2. Address: Street or Route No. City (or Township) County Zip

3. Telephone Number:

4. Date of birth (optional):

5. Last registration if any Street or Route Number City (or Township) Zip

6. I certify that I will be at least 18 years old on election day and that the above facts are correct. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$5,000, or both.

Signature of Voter

Sec. 2. Laws 1981, Chapter 29, Article III, Section 4, Subdivision 1, is amended to read:

[203B.04] [APPLICATION FOR BALLOTS.]

Subdivision 1. [APPLICATION PROCEDURES.] Except as otherwise allowed by subdivision 2, an application for absentee ballots for any election may be submitted at any time not more than 45 days nor less than one day before the day of that election. An application submitted pursuant to this subdivision shall be in writing and shall be submitted to:

- (a) The county auditor of the county where the applicant maintains residence; or
(b) The municipal clerk of the municipality where the applicant maintains residence.

An application shall be accepted if it is signed and dated by the applicant, contains the applicant's residence and mailing addresses and states that the applicant is eligible to vote by absentee ballot for one of the reasons specified in Article III, Section 2.

Sec. 3. Laws 1981, Chapter 29, Article IV, Section 12, Subdivision 1, is amended to read:

[204B.12] [WITHDRAWAL OF CANDIDATES.]

Subdivision 1. [BEFORE PRIMARY.] A candidate may withdraw his name from the primary ballot by filing an affidavit of withdrawal with the same official who received the affidavit of candidacy. The affidavit shall request that

official to withdraw the candidate's name from the ballot and shall be filed no later than ~~six~~ three days after the last day for filing for the office.

Sec. 4. Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 1, is amended to read:

[204B.19] [ELECTION JUDGES; QUALIFICATIONS.]

Subdivision 1. [INDIVIDUALS QUALIFIED TO BE ELECTION JUDGES.] Any individual who is eligible to vote in an election precinct is qualified to be appointed as an election judge for that precinct subject to the provisions of this section. ~~If an insufficient number of eligible voters maintaining residence in any precinct are willing and qualified to be appointed election judges for that precinct, the appointing authority may appoint as an election judge for that precinct any qualified individual who is eligible to vote in the territory under the jurisdiction of the authority which established the precinct. If the files of the appointing authority do not contain sufficient voters within a precinct who are qualified and willing to serve as election judges, election judges may be appointed who reside in another precinct in the same municipality. If there are not sufficient voters within the municipality who are qualified and willing to serve as election judges, election judges may be appointed who reside in the county where the precinct is located.~~

Sec. 5. Laws 1981, Chapter 29, Article IV, Section 21, Subdivision 1, is amended to read:

[204B.21] [APPOINTMENT OF ELECTION JUDGES.]

Subdivision 1. [APPOINTMENT LISTS; DUTIES OF POLITICAL PARTIES AND COUNTY AUDITOR.] ~~At least 65 days before any~~ *On July 1 in a year in which there is an election for a partisan political office, the county or legislative district chairmen of each major political party, whichever is designated by the state party, shall prepare a list of eligible voters to act as election judges in each election precinct in the county or legislative district. The chairmen shall furnish the lists to the county auditor of the county in which the precinct is located.*

At least 55 days before the date of the election, By July 15 the county auditor shall furnish to the appointing authorities a list of the appropriate names for each election precinct in the jurisdiction of the appointing authority. Separate lists shall be submitted by the county auditor for each major political party.

Sec. 6. Laws 1981, Chapter 29, Article IV, Section 27, Subdivision 1, is amended to read:

[204B.27] [DUTIES OF SECRETARY OF STATE.]

Subdivision 1. [BLANK FORMS.] At least 45 25 days before every state election the secretary of state shall transmit to each county auditor a sufficient number of blank county abstract forms, affidavits of challenged voters, and any other blank forms that the secretary of state deems necessary for the conduct of the election.

Sec. 7. Laws 1981, Chapter 29, Article IV, Section 34, Subdivision 1, is amended to read:

[204B.34] [NOTICE OF ELECTION.]

Subdivision 1. [STATE ELECTIONS.] At least 15 days before any state

primary or state general election the municipal clerk shall post in his office a notice stating the officers to be nominated or elected, the location of each polling place in the municipality, and the hours for voting. *An optional provision of the notice may include municipal officers to be nominated or elected.* The county auditor shall post a similar notice in his office including information concerning any polling places in unorganized territory in the county. The governing body of a municipality or county may publish this notice in addition to posting it. Failure to give the notice required in this section shall not invalidate a state primary or state general election.

Sec. 8. Laws 1981, Chapter 29, Article IV, Section 35, Subdivision 4, is amended to read:

Subd. 4. [ABSENTEE BALLOTS; PREPARATION; DELIVERY.] Ballots necessary to fill applications of absentee voters shall be prepared and delivered at least ~~15~~ 20 days before the election to the officials who administer the provisions of Article III.

Sec. 9. Laws 1981, Chapter 29, Article V, Section 32, Subdivision 2, is amended to read:

Subd. 2. [STATE CANVASS.] The state canvassing board shall meet at the secretary of state's office on the second Tuesday after the state primary to canvass the certified copies of the county canvassing board reports received from the county auditors. ~~Upon completion of the canvass~~ *Two days after the canvassing board declares the results,* the secretary of state shall ~~promptly~~ certify the names of the nominees to the county auditors and shall mail to each nominee a notice of nomination.

Sec. 10. Laws 1981, Chapter 29, Article V, Section 33, Subdivision 2, is amended to read:

Subd. 2. [COUNTY CANVASSING BOARD REPORTS; PUBLIC AVAILABILITY.] ~~Upon payment of a \$1 fee,~~ The county auditor of each county shall provide a certified copy of the county canvassing board report to anyone who requests it *upon payment of costs of reproduction actually incurred by the auditor's office. The auditor shall not take into account the general office expenses or other expenses.*

Sec. 11. Laws 1981, Chapter 29, Article VI, Section 6, is amended to read:

[204D.06] [CERTIFICATION OF NAMES BY SECRETARY OF STATE.]

At least ~~32~~ 42 days before a state primary, the secretary of state shall certify to the county auditors the names of all candidates who have properly filed affidavits of candidacy with the secretary of state and who will be voted for in their respective counties at that primary.

Sec. 12. Laws 1981, Chapter 29, Article VI, Section 11, Subdivision 1, is amended to read:

[204D.11] [STATE GENERAL ELECTION BALLOTS; CANDIDATES; OFFICIAL IN CHARGE; RULES; REIMBURSEMENT.]

Subdivision 1. [WHITE BALLOT; RULES; REIMBURSEMENT.] The names of the candidates for all partisan offices voted on at the state general election ~~and candidates for the office of justice and chief justice of the supreme~~

~~court~~ shall be placed on a single ballot printed on white paper which shall be known as the "white ballot". This ballot shall be prepared by the county auditor subject to the rules of the secretary of state. The state shall reimburse the counties for the cost of preparing the white ballot and the envelopes required for the returns of that ballot. The secretary of state shall adopt rules for preparation and time of delivery of the white ballot and for reimbursement of the counties' costs.

Sec. 13. Laws 1981, Chapter 29, Article VI, Section 11, Subdivision 5, is amended to read:

Subd. 5. [BALLOT HEADINGS.] The white, pink and special federal white ballot shall be headed with the words "State General Election Ballot". The canary ballot shall be headed with the words "~~County and Judicial District General Election Ballot~~ Ballot of Nonpartisan Candidates".

Sec. 14. Laws 1981, Chapter 29, Article VI, Section 14, is amended to read:

[204D.14] [WHITE AND CANARY BALLOTS; NONPARTISAN OFFICES.]

Subdivision 1. [ROTATION OF NAMES.] The names of candidates for nonpartisan offices on the ~~white and canary ballots~~ ballot shall be rotated in the manner provided for rotation of names on state partisan primary ballots by Article VI, Section 8, Subdivision 3.

Subd. 2. [UNCONTESTED OFFICES.] Nonpartisan offices for which there is only one candidate shall appear after all contested offices on the ~~appropriate white or canary~~ ballot.

Sec. 15. Laws 1981, Chapter 29, Article VI, Section 15, Subdivision 2, is amended to read:

Subd. 2. [DISTRIBUTION.] The pink ballot shall be provided in groups of 50. At least 45 25 days before the state general election the secretary of state shall forward to the county auditor of each county sufficient ballots to enable the county auditor to comply with the absentee voting provisions of Article IV, Section 28, Subdivision 2. The county auditor shall give a receipt to the secretary of state stating the number of pink ballots and the date when they were received.

Sec. 16. Minnesota Statutes 1980, Section 205.03, Subdivision 1, as amended by Laws 1981, Chapter 29, Article VII, Section 7, Subdivision 1, is amended to read:

205.03 [HOURS FOR VOTING.]

Subdivision 1. [CITIES.] In all statutory and home rule charter city elections the governing body of the city, by resolution adopted prior to the giving of notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent city elections, until the resolution is revoked. *Cities referred to in this subdivision shall make certification of election hours to the county auditor upon adoption of the resolution giving notice of election.*

Sec. 17. Minnesota Statutes 1980, Section 205.03, Subdivision 3, as amended by Laws 1981, Chapter 29, Article VII, Section 7, Subdivision 3, is amended to read:

Subd. 3. [OTHER TOWNS.] In any election of town officers in a town other than a town described in subdivision 2, the town board, by resolution adopted prior to the giving of notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent town elections. The resolution shall remain in force until revoked by the town board. *Towns referred to in this subdivision shall make certification of the election hours to the county auditor in January of each year.*

Sec. 18. Minnesota Statutes 1980, Section 209.02, Subdivision 4, is amended to read:

Subd. 4. [NOTICE OF CONTEST, HOW SERVED.] Service of the notice of contest shall be made in the same manner as provided for the service of summons in civil actions. In all cases ~~two copies~~ *one copy* of the notice shall be furnished the official authorized to issue the certificate of election at the time of service upon him, and ~~the official shall send~~ *one copy thereof shall be served* by certified mail ~~to on~~ the contestee at his last known address. ~~If the sheriff is unable to make personal or substituted service upon the contestee, then the affidavit of the sheriff to that effect and the affidavit of the official authorized to issue the certificate of election that he sent a copy to the contestee by certified mail to his last known address shall be sufficient to confer jurisdiction upon the proper court to hear and determine the contest.~~

Sec. 19. [REPEALER.]

Laws 1981, Chapter 29, Article II, Section 11, Subdivision 6 and Laws 1981, Chapter 29, Article IV, Section 12, Subdivision 2, are repealed.

Amend the title as follows:

Page 1, delete lines 4 to 12 and insert:

“Minnesota Statutes 1980, Sections 201.071, Subdivision 1, as amended; 205.03, Subdivisions 1 and 3, as amended; 209.02, Subdivision 4; Laws 1981, Chapter 29, Article III, Section 4, Subdivision 1; Article IV, Sections 12, Subdivision 1; 19, Subdivision 1; 21, Subdivision 1; 27, Subdivision 1; 34, Subdivision 1; 35, Subdivision 4; Article V, Sections 32, Subdivision 2; 33, Subdivision 2; Article VI, Sections 6; 11, Subdivisions 1 and 5; 14; and 15, Subdivision 2; repealing Laws 1981, Chapter 29, Article II, Section 11, Subdivision 6; and Article IV, Section 12, Subdivision 2.”

The motion prevailed. So the amendment was adopted.

Mr. Belanger moved to amend the Schmitz amendment to H. F. No. 678, adopted by the Senate May 7, 1981, as follows:

Page 8, after line 5, insert:

“Sec. 19. [CITIES OF BLOOMINGTON AND ST. LOUIS PARK; ELECTRONIC VOTING SYSTEM MAY BE USED.]

An electronic voting system approved and authorized for use pursuant to Minnesota Statutes, Chapter 206 may be used by the cities of Bloomington and St. Louis Park for absentee voting subject to the provisions of sections 19 to 23. Except as provided in sections 19 to 23, the provisions of Laws 1981, Chapter 29, Article III, shall apply to electronic voting systems used for absentee voting.

Sec. 20. [REQUIREMENTS OF SYSTEM.]

An electronic voting system used for absentee voting by the cities of Bloomington and St. Louis Park shall permit the voter to change or retract any vote which he has marked or indicated on the ballot.

Sec. 21. [MATERIALS SENT TO VOTER.]

When absentee voting is by ballot card, the ballot card sent or delivered to the voter shall be accompanied by a punching tool, voter instructions and a specimen ballot showing the positions of each candidate or question on the ballot card. The ballot card shall be mounted on material suitable to receive the punched out chips.

Sec. 22. [CHANGES OR RETRACTIONS ON CARD.]

When the election judges in a precinct using an electronic voting system remove a ballot card from a received ballot envelope they shall examine the ballot card for any damage to the card or any change or retraction of a mark or indication on the card. If the ballot card is damaged or contains a change or retraction the election judges shall prepare a duplicate card and substitute it for the original card. The original card shall be returned to the county auditor or municipal clerk with the spoiled ballots.

Sec. 23. [SECRETARY OF STATE TO MAKE RULES.]

The secretary of state may adopt temporary rules as provided in chapter 15 for the purpose of specifying forms and procedures required by sections 19 to 22.

Sec. 24. [EFFECTIVE DATE.]

Sections 19 to 23 of this act are effective for the cities of Bloomington and St. Louis Park the day after compliance by the governing body of each city with Minnesota Statutes, Section 645.021, Subdivision 3. The authority granted to the cities of Bloomington and St. Louis Park by sections 19 to 23 is repealed on December 31, 1982."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "authorizing the cities of Bloomington and St. Louis Park to use electronic voting systems for absentee voting;"

The motion prevailed. So the amendment to the amendment was adopted.

Ms. Berglin moved to amend the Schmitz amendment to H. F. No. 678, adopted by the Senate May 7, 1981, as follows:

Page 8, after line 5, insert:

"Sec. 19. Laws 1981, Chapter 29, Article III, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [UNABLE TO GO TO POLLING PLACE.] Any eligible voter who is reasonably anticipates he will be unable to go to the polling place on election day in the precinct where the individual maintains residence because of absence from the precinct, illness, physical disability, religious dis-

cipline, observance of a religious holiday or service as an election judge in another precinct may vote by absentee ballot as provided in Article III, Sections 4 to 15."

Renumber the sections in sequence

Amend the title amendment as follows:

Page 8, line 16, after "III," insert "Section 2, Subdivision 1;"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Pillsbury moved to amend the Schmitz amendment to H. F. No. 678, adopted by the Senate May 7, 1981, as follows:

Page 1, after line 20, insert:

"Month.....Day.....Year (optional)....."

The motion prevailed. So the amendment to the amendment was adopted.

H. F. No. 678 was then progressed.

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Nelson moved that the following members be excused for a Conference Committee on H. F. No. 1421:

Messrs. Nelson, Willet, Penny, Tennessen and Keefe. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:30 p.m. The motion prevailed.

The hour of 7:30 p.m. having arrived, the President called the Senate to order.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

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

Without objection, the Senate reverted to the Order of Business of 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. 209, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 209: A bill for an act relating to gambling devices; clarifying definitions of gambling devices; authorizing an additional gambling device; authorizing certain payments for operation of gambling devices; changing

prize limitations; changing the penalty provision for violation; amending Minnesota Statutes 1980, Sections 349.26, Subdivisions 2, 4, 5, 12, 13, 14 and 15, and by adding a subdivision; 349.30, Subdivision 2; and 349.31, Subdivision 1.

Senate File No. 209 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 70.

H. F. No. 70: A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9;

375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

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

McEachern; Johnson, C.; Nelson, K.; Levi and Jennings have been appointed as such committee on the part of the House.

House File No. 70 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 7, 1981

Mr. Dieterich moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 70, 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. 473.

H. F. No. 473: A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

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

Hauge, Otis and Sviggum have been appointed as such committee on the part of the House.

House File No. 473 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 7, 1981

Mr. Dahl moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 473, 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 concur-

rence of the Senate is respectfully requested:

S. F. No. 1058: A bill for an act relating to elections; authorizing the validation of absentee ballots by judges of absentee ballot precincts; providing for notice to election judges in an absentee ballot precinct; amending Minnesota Statutes 1980, Sections 207.09, Subdivision 2; 207.11, Subdivisions 1 and 5; and 207.30, Subdivision 3, and by adding a subdivision.

Senate File No. 1058 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

CONCURRENCE AND REPASSAGE

Mr. Belanger moved that the Senate concur in the amendments by the House to S. F. No. 1058 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1058: A bill for an act relating to elections; authorizing the validation of absentee ballots by judges of absentee ballot precincts; providing for notice to election judges in an absentee ballot precinct; amending Laws 181, Chapter 29, Article III, Sections 10; 12; and 13.

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	Davies	Langseth	Pehler	Setzepfandt
Bang	Dieterich	Lantry	Penny	Steloff
Belanger	Engler	Lessard	Peterson, C. C.	Sikorski
Benson	Frank	Lindgren	Peterson, R. W.	Spear
Berg	Frederickson	Luther	Petty	Stern
Berglin	Hanson	Menning	Pillsbury	Stokowski
Bernhagen	Hughes	Merriam	Purfeerst	Stumpf
Bertram	Johnson	Moe, D. M.	Ramstad	Taylor
Brataas	Keefe	Moe, R. D.	Renneke	Tennessee
Chmielewski	Kroening	Nelson	Rued	Ulland
Dahl	Kronebusch	Olhoft	Schmitz	Waldorf

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

RECESS

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

S. F. No. 665: Messrs. Penny, Sikorski and Keefe.

S. F. No. 445: Messrs. Tennessen, Davies and Stumpf.

H. F. No. 98: Messrs. Humphrey, Waldorf and Bernhagen.

H. F. No. 407: Messrs. Stern, Bang and Davies.

H. F. No. 912: Messrs. Hanson, Peterson, R. W. and Davies.

H. F. No. 1446: Mr. Tennessen, replacing Ms. Berglin.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

RECESS

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

H. F. No. 126: Messrs. Menning, Setzepfandt and Berg.

H. F. No. 829: Messrs. Frank, Merriam and Mrs. Stokowski.

H. F. No. 182: Messrs. Peterson, C. C.; Bang and Tennessen.

H. F. No. 473: Messrs. Dahl, Dicklich and Taylor.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Sikorski in the chair.

After some time spent therein, the committee arose, and Mr. Sikorski reported that the committee had considered the following:

S. F. Nos. 440, 28, 855, 960, 1187, 177, 1040 and H. F. Nos. 936, 774, 615, 25 and 619, which the committee recommends to pass.

S. F. No. 446, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 2, after line 17, insert:

“Sec. 2. Minnesota Statutes 1980, Section 3.855, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] There is created the legislative com-

mission on employee relations. The commission shall consist of six members of the senate and six members of the house of representatives. The senate members shall include the leader of the majority caucus of the senate, the leader of the minority caucus of the senate, ~~the chairman of the governmental operations committee, the chairman of the finance committee, the chairman of the committee on taxes and tax laws~~ *three members designated by the leader of the majority caucus*, and an additional member designated by the leader of the minority caucus. The house members shall include the speaker, the leader of the minority caucus of the house, ~~the chairman of the governmental operations committee, the chairman of the appropriations committee, the chairman of the taxes committee~~ *three members designated by the speaker*, and an additional member designated by the leader of the minority caucus. In the event that the membership of the house is evenly divided, the house members shall be selected pursuant to the rules of the house. Any member of the commission may resign by providing notice to the chairman. In the event of a resignation by a member of the: (1) senate, a replacement shall be selected from among the members of the senate by the committee on rules; (2) house, a replacement shall be selected from among the members of the house pursuant to house rules. The commission shall elect its own officers who shall serve for terms of two years. The chairmanship of the commission shall alternate between a member of the senate and a member of the house."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the final semicolon insert "3.855, Subdivision 1;"

The motion prevailed. So the amendment was adopted.

H. F. No. 1160, which the committee recommends to pass with the following amendment offered by Mr. Bertram:

Amend H. F. No. 1160, as amended pursuant to Rule 49, adopted by the Senate May 6, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1302.)

Pages 1 and 2, delete section 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete line 3

Page 1, line 7, delete "82.18;"

The motion prevailed. So the amendment was adopted.

S. F. No. 728, which the committee recommends to pass, after the following motion:

Mr. Tennesen moved to amend S. F. No. 728 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 47.52, is amended to read:

47.52 [AUTHORIZATION.]

(a) With the prior approval of the commissioner, any bank doing business in this state may establish and maintain not more than two detached facilities provided the facilities are located within the municipality in which the principal office of the applicant bank is located; or within 5,000 feet of its principal office measured in a straight line from the closest points of the closest structures involved; or within ~~25~~ 35 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 any municipality in which no bank is located at the time of application or if the detached facility is in a municipality having a population of more than ~~40,000~~ 5,000, according to the last previous United States census, or if the detached facility is located in a municipality having a population of ~~40,000~~ 5,000 or less and all the banks having a principal office in the municipality have consented in writing to the establishment of the facility.

(b) A detached facility shall not be closer than 50 feet to a detached facility operated by any other bank and shall not be closer than 100 feet to the principal office of any other bank; the measurement to be made in the same manner as provided above. This clause shall not be applicable if the proximity to the facility or the bank is waived in writing by the other bank and filed with the application to establish a detached facility.

(c) Any bank is allowed, in addition to other facilities, one drive-in or walk-up facility located between 150 to 1,500 feet of the main banking house or a detached facility if the commissioner determines that such site of the main banking house or detached facility is so physically limited as to preclude the addition of a drive-in or walk-up facility. The drive-in or walk-up facility permitted by this clause is subject to clause (b) and section 47.53.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to financial institutions; modifying the criteria for establishment of detached banking facilities; amending Minnesota Statutes 1980, Section 47.52."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 11 and nays 45, as follows:

Those who voted in the affirmative were:

Bang	Davies	Merriam	Petty	Stumpf
Belanger	Lindgren	Peterson, R. W.	Spear	Tennessee
Brataas				

Those who voted in the negative were:

Ashbach	Engler	Kronebusch	Pehler	Sieloff
Benson	Frank	Langseth	Penny	Sikorski
Berg	Frederick	Lantry	Peterson, C. C.	Stern
Berglin	Frederickson	Lessard	Peterson, D. L.	Stokowski
Bernhagen	Hanson	Luther	Pillsbury	Ulland
Bertram	Hughes	Menning	Purfeerst	Vega
Chmielewski	Johnson	Moe, D. M.	Renneke	Waldorf
Dicklich	Keefe	Moe, R. D.	Schmitz	Wegener
Dieterich	Kroening	Olhoft	Setzpfandt	Willet

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

H. F. No. 353, which the committee reports progress, subject to the following motion:

Mr. Luther moved to amend H.F. No. 353, the unofficial engrossment, as follows:

Page 1, line 13, after "facility" insert "*and its appurtenances*"

Page 1, line 21, delete everything after "be"

Page 1, line 22, delete "*operation*" established as of

Page 2, line 1, delete "*Minnesota Statutes,*"

Page 2, line 3, delete "*or its appurtenances*"

Page 2, line 4, delete "*is not and*"

Page 2, lines 9 and 10, delete "*or its appurtenances*"

Page 2, line 18, after "*before*," insert "*or after*"

The motion prevailed. So the amendment was adopted.

H. F. No. 353 was then progressed.

H. F. No. 321, which the committee recommends to pass with the following amendment offered by Mr. Stumpf:

Amend H. F. No. 321, the unofficial engrossment, as follows:

Page 1, delete line 9

Page 1, line 11, delete "*issue*" and insert "*by ordinance authorize any holder of*"

Page 1, line 12, delete "*for*" and insert "*issued by the city to dispense intoxicating liquor at any event of definite duration on*"

Page 1, line 12, delete "*The*"

Page 1, delete lines 13 to 16

Page 1, line 17, delete "*organization or corporation.*"

Page 1, line 20, delete everything after the period and insert "*The licensee must be engaged to dispense intoxicating liquor at the event held by a person or organization permitted to use the premises and may dispense intoxicating liquor only to persons attending the event.*"

Page 1, delete lines 21 to 25

Page 2, line 1, delete "*the liquor.*"

Page 2, line 1, delete "*license issued under this act*" and insert "*licensee's authority*"

Page 2, line 2, delete "*license*" and insert "*authority to dispense intoxicating liquor*"

Page 2, line 2, delete "*issued*" and insert "*granted*"

Page 2, line 5, delete "*It shall limit the sale of*" and insert "*The dispensing of intoxicating liquor shall be subject to all laws and ordinances governing the*"

dispensing of intoxicating liquor as are not inconsistent herewith. All dispensing of intoxicating liquor shall be in accordance with terms and conditions prescribed by the municipality, and those terms and conditions may limit the dispensing of intoxicating liquor to designated areas of the facility. The municipality may fix and assess a fee to be paid to the municipality by an on-sale licensee for each event for which the licensee is engaged to dispense intoxicating liquor. The authority granted by this subdivision shall not be construed as counting as an additional on-sale intoxicating liquor license for purposes of determining the number of liquor licenses permitted to be issued under the provisions of section 340.11."

Page 2, delete lines 6 to 13

Amend the title as follows:

Page 1, line 3, delete "issuance of a license for the sale" and insert "city of St. Paul to permit the dispensing"

The motion prevailed. So the amendment was adopted.

H. F. No. 487, which the committee recommends to pass with the following amendment offered by Mr. Stumpf:

Strike the amendment made to H. F. No. 487 by the Committee on Rules and Administration in the report adopted April 8, 1981, pursuant to Rule 49, and further amend as follows:

Page 1, after line 8, insert:

"Section 1. Laws 1974, Chapter 435, Article 3, Section 3.11, is amended to read:

Sec. 3.11. [ABSTRACT CLERK.]

(*) *Subdivision 1.* [TERM.] In Ramsey county an abstract clerk shall be elected at the general election for county officers and his term of office is for four years and until his successor is elected and qualified.

(*) *Subd. 2.* [DUTIES.] (†) The abstract clerk of Ramsey county has the sole and exclusive power, and it is his official duty to make out all official abstracts of title affecting real property inside the county, as an official thereof, and the register of deeds shall have no power or authority in the premises whatsoever.

(‡) The duties of the Ramsey county abstract clerk do not impair the power of any private person, company or corporation to make out abstracts of title as provided by the general laws of this state.

(*) *Subd. 3.* [DUTIES AND FEES.] (†) (A) The records and indices in the office of county abstract clerk are public records, open to inspection, but only to the extent in this ~~subsection~~ section provided.

(B) *Subd. 4.* Each record, index, abstract, copy, plat, bookkeeping record, or paper of any type whatsoever, prepared in the office, is the property of the county for the use of the county abstract clerk and his successors in office, and, at the end of the term of an abstract clerk, shall be turned over to his successor in office.

(C) *Subd. 5.* The county abstract clerk shall permit, without fee and within reasonable business hours as not to interfere with the conduct of the work of the

office, and under supervision to assure the safety of the records, inspection of the tract index as hereinafter defined, by a party interested in the ownership of a particular parcel of land, or his agent or attorney. There is no right on the part of anyone to make general or indiscriminate searches of the records or to copy a part thereof to make abstracts of title or abstract books or in any manner to deprive the abstract clerk of the fees provided by law for his official duties.

(D) *Subd. 6.* Whoever destroys, attempts to destroy, deface, or alter any record in the office of the county abstract clerk is guilty of a gross misdemeanor.

(2) (A) *Subd. 7.* The county abstract clerk shall maintain, current as of 8 o'clock a.m. each business day, abstract indices to the land of the county, including a tract and miscellaneous system of indices, correctly indexing each instrument filed of record in the office of the register of deeds in the county which in any manner affects the title to real property inside the county. He shall maintain currently correct as of each day, indices to all judgments in any court which are a lien on real property inside the county and all federal tax liens. He shall maintain the other and further abstract records and indices that the board of county commissioners of the county directs.

(B) *Subd. 8.* The county abstract clerk shall furnish, within ten days, upon demand of anyone and proffer of his fees, a complete, true and perfect abstract of title to a parcel of land in the county.

(C) *Subd. 9.* The county abstract clerk shall, without fee and within reasonable hours as not to interfere with the conduct of his office and under reasonable supervision to assure the safety of the public records, permit the use of records in the office by duly authorized representatives of other state, county, municipal or federal governmental agencies for public purposes.

(D) *Subd. 10.* The county abstract clerk shall furnish to anyone, within 48 hours of demand, and without fee, an oral report of the apparent ownership and apparent unsatisfied encumbrance as to a parcel of land inside the county, but he shall not be responsible under the bond herein required, for the correctness of a report furnished without fee.

(E) *Subd. 11.* The county abstract clerk shall not be required, without demand and proffer of fees as herein set forth, to furnish a report of personal judgments in a court against a person, firm or corporation.

(F) *Subd. 12.* The county abstract clerk and his deputies and employees shall not be permitted to practice law, or demand or receive a fee for an opinion as to the condition of the title to a parcel of real estate, save as to reports of the apparent record ownership, nor to prepare or execute papers incident to the transfer of title to real property or in any manner act as advisor or counsellor at law or as agent for the sale of real property or in any manner assume the function of lawyer, real estate broker or advisor.

(G) *Subd. 13.* The county abstract clerk may appoint a deputy county abstract clerk to act in his stead and behalf, and for whose acts the county abstract clerk is responsible.

(3) *Subd. 14.* The board of county commissioners in Ramsey county shall appoint each year a committee to inspect the records and the conduct of the office of the county abstract clerk, the committee to consist of an accountant

representing the office of the county auditor, a representative of the county attorney's office and one member of the board, each of whom will serve without further compensation than provided by law for their respective positions. The committee shall inspect the records of the office of county abstract clerk at least once each year and report to the board of county commissioners on the fees collected, the public service rendered, the condition of the public records therein contained and the general conduct of the office. The county abstract clerk shall permit the committee to inspect each record of whatsoever nature having to do with his conduct of the office upon demand at any time.

(4) *Subd. 15.* The county abstract clerk ~~may shall~~ charge, collect and retain for ~~his own~~ the use of the county, fees for his services ~~to which shall be set by the county board.~~ ~~If the county board does not set the fees to be charged, the county abstract clerk may set the fees.~~ *The county board shall also set the compensation of the abstract clerk.*

(5) *Subd. 16.* Before the county abstract clerk enters upon his duties, he shall give bond to the county, at county expense, in the penal sum of \$5,000, to be approved by the county board, conditioned that he will faithfully discharge the duties of his office, and shall give bond to the public, in the penal sum of \$10,000, at his own expense, to be approved by the county board, conditioned that he shall pay all damages suffered by anyone through any error deficiency in any abstract of title or registered property report issued by his office.

(6) *Subd. 17.* The board of county commissioners of Ramsey county shall fill each vacancy in the office of county abstract clerk, for whatever cause, by appointment. The person so appointed shall give the bond and take the oath required by law, and shall hold for the remainder of the unexpired term, and until his successor qualifies."

Page 3, line 15, delete "This act" and insert "Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, section 1 is effective July 1, 1981, without local approval. Section 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 and 3 and insert "relating to Ramsey County; regulating the county abstract office; requiring the county board to set the fees and salary of the abstract clerk; providing for disposition of"

Page 1, line 5, after "amending" insert "Laws 1974, Chapter 435, Article 3, Section 3.11; and"

The motion prevailed. So the amendment was adopted.

H. F. No. 1190, which the committee recommends to pass with the following amendments offered by Messrs. Pehler and Benson:

Mr. Pehler moved to amend H. F. No. 1190 as follows:

Page 2; after line 9, insert:

"Sec. 2. [375.056] [SEVEN-MEMBER BOARD.]

Any county with a population of 100,000 or more according to the last federal decennial census may by resolution of its county board provide for a seven-member board of county commissioners. A certified copy of the resolu-

tion of the county board of any county choosing to exercise this option shall be transmitted to the secretary of state, and the county commissioner districts shall be redistricted by the county board in accordance with section 375.025."

Page 2, line 14, delete "*this act*" and insert "*sections 1 and 3*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for a seven-member board of commissioners in certain counties;"

Page 1, line 6, after the semicolon, insert "proposing new law coded in Minnesota Statutes, Chapter 375;"

The motion prevailed. So the amendment was adopted.

Mr. Benson moved to amend H.F. No. 1190, as follows:

Page 2, after line 9, insert:

"Sec. 2. Minnesota Statutes 1980, Section 403.01, Subdivision 1, is amended to read:

Subdivision 1. Each county in the metropolitan area shall establish a 911 emergency telephone system on or before December 15, 1982 and each remaining county ~~shall~~ *may* establish a 911 emergency telephone system on or before December 15, 1986.

Sec. 3. Minnesota Statutes 1980, Section 403.05, is amended to read:

403.05 [DESIGN OF SYSTEM.]

Each county *which establishes a 911 system* shall design its 911 system to meet the requirements of agencies whose services are available through the 911 system and to permit future expansion of the system."

Page 2, line 14, delete "*this act is*" and insert "*sections 1 and 4 are*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "permitting optional participation in a 911 emergency telephone system for certain counties;"

Page 1, line 5, delete "Section" and insert "Sections"

Page 1, line 6, after the semicolon insert "403.01, Subdivision 1; and 403.05;"

The motion prevailed. So the amendment was adopted.

Mr. Sikorski moved that the report of the Committee of the Whole, as kept by the Secretary, be adopted.

Mr. Peterson, C. C. requested that the report on H. F. No. 1160 be divided out.

Mr. Sikorski moved the adoption of the remainder of the report of the Committee of the Whole. The motion prevailed.

Mr. Sikorski moved the adoption of the report on H. F. No. 1160. The

motion did not prevail.

RECESS

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

H. F. No. 70: Messrs. Dieterich, Hughes, Merriam, Langseth and Olhoft.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Mr. Knoll was excused from this evening's Session. Mr. Willet was excused from the Session of today from 7:45 to 8:45 p.m. Mr. Humphrey was excused from this evening's Session.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Friday, May 8, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTIETH DAY

St. Paul, Minnesota, Friday, May 8, 1981

The Senate met at 1:00 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. William McGrade.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bermhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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. Sieloff was excused from the Session of today from 1:00 to 3:00 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 6, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 182, 218, 329 and 1057.

Sincerely yours,

Albert H. Quie, Governor

May 6, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	29	95	May 6	May 6
	171	96	May 6	May 6
	347	97	May 6	May 6
	410	98	May 6	May 6
	415	99	May 6	May 6
	525	100	May 6	May 6
	731	101	May 6	May 6
	1070	102	May 6	May 6
182		103	May 6	May 6
218		104	May 6	May 6
329		105	May 6	May 6
1057		106	May 6	May 6

Sincerely,

Joan Anderson Growe
Secretary of State

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. 207, 982, 96, 159, 558, 805, 215 and 399.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

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 elections; changing certain procedures and requirements relating to elections; amending Minnesota Statutes 1980, Sections 201.061, Subdivisions 1 and 3; 203A.13; 203A.31, Subdivision 3; 203A.32, Subdivision 3; 203A.33, Subdivision 4; 204A.14; 204A.29; 204A.34, Subdivision 2; 204A.44, Subdivision 1; 204A.45, Subdivision 1; 204A.47, Subdivision 1; 204A.49, Subdivision 1; 206.03; 206.20, Subdivision 2; 207.08, Subdivision 2; 208.03; and 208.05; repealing Minnesota Statutes 1980, Section 201.18.

Senate File No. 99 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Mr. Nelson moved that S. F. No. 99 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. 660: A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

Senate File No. 660 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Mr. Schmitz moved that the Senate do not concur in the amendments by the House to S. F. No. 660 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. 690: A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

Senate File No. 690 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Mr. Peterson, C.C. moved that the Senate do not concur in the amendments by the House to S. F. No. 690, 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. 694: A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufac-

tured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

Senate File No. 694 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Mr. Stern moved that the Senate do not concur in the amendments by the House to S. F. No. 694, 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. 763: A bill for an act relating to the cities of Minneapolis and St. Paul; authorizing the implementation of energy conservation programs; authorizing the financing of residential energy conservation programs; authorizing the issuance of qualified mortgage bonds; requiring a report to the legislature.

Senate File No. 763 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

CONCURRENCE AND REPASSAGE

Mr. Knoll moved that the Senate concur in the amendments by the House to S. F. No. 763 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 763 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 9, as follows:

Those who voted in the affirmative were:

Bang	Engler	Kroening	Pehler	Spear
Belanger	Frank	Kronebusch	Penny	Stern
Berg	Frederick	Langseth	Peterson, C. C.	Stokowski
Berglin	Frederickson	Lantry	Peterson, R. W.	Stumpf
Bernhagen	Hanson	Lessard	Petty	Taylor
Bertram	Hughes	Luther	Purfeerst	Tennessee
Chmielewski	Humphrey	Menning	Ramstad	Ulland
Dahl	Johnson	Merriam	Schmitz	Vega
Davis	Keefe	Moe, R. D.	Setzepfandt	Waldorf
Dicklich	Knoll	Nelson	Sikorski	Wegener
Dieterich	Knutson	Olhoft	Solon	Willet

Those who voted in the negative were:

Ashbach
BensonBrataas
DaviesLindgren
Peterson, D.L.Pillsbury
Renneke

Rued

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. 808: A bill for an act relating to the city of Duluth; authorizing the establishment of a home energy conservation program as part of its municipal utility system and the issuance of municipal revenue bonds or notes for that purpose; requiring a report to the legislature.

Senate File No. 808 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981.

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 808 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 808 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 12, as follows:

Those who voted in the affirmative were:

Bang	Frederickson	Lessard	Petty	Stumpf
Belanger	Hanson	Luther	Purfeerst	Taylor
Berglin	Hughes	Menning	Ramstad	Tenessen
Chmielewski	Humphrey	Merriam	Schmitz	Ulland
Dahl	Johnson	Moe, R. D.	Setzepfandt	Vega
Davis	Keefe	Nelson	Sikorski	Wegener
Dicklich	Knoll	Olhoff	Solon	Willet
Dieterich	Kronebusch	Pehler	Spear	
Frank	Langseth	Penny	Stern	
Frederick	Lantry	Peterson, R. W.	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Lindgren	Peterson, D.L.	Renneke
Benson	Davies	Peterson, C.C.	Pillsbury	Rued
Bernhagen	Knutson			

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. 835: A bill for an act relating to transportation; classifying the engineers' estimates for all state transportation construction projects as non-public data; adding a new route to the trunk highway system in substitution of an existing route; authorizing the commissioner of transportation to convey or otherwise dispose of certain lands no longer needed for trunk highway purposes; authorizing the temporary transfer of money from certain public funds under certain conditions to certain agency accounts and providing for repayment; increasing the dollar limits for certain contracts and agreements negotiated by the commissioner; defining motor carrier and exempt carrier; granting enforcement powers to hazardous material specialists; transferring the licensing and regulatory provisions for building movers to the transportation regulation board; requiring excess revenue from an airport to be applied to the improvement of the airport or other air navigation facility; increasing the dollar limit for development of landing strips; providing fees for hot air balloons and certain non-resident aircraft; amending Minnesota Statutes 1980, Sections 161.16, Subdivision 4; 161.32, Subdivision 2; 161.36, Subdivision 5; 161.46, Subdivision 3; 221.011, Subdivisions 15 and 22; 221.031, Subdivision 2; 221.221; 221.261; 221.81; 360.037, Subdivision 3; 360.305, Subdivision 4; and 360.55, by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 15 and 161.

Senate File No. 835 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

CONCURRENCE AND REPASSAGE

Mr. Belanger moved that the Senate concur in the amendments by the House to S. F. No. 835 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 835 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Kronebusch	Peterson, C.C.	Spear
Belanger	Engler	Langseth	Peterson, D.L.	Stern
Benson	Frank	Lantry	Peterson, R.W.	Stokowski
Berg	Frederick	Lessard	Petty	Stumpf
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hanson	Luther	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davis	Knoll	Olhofs	Setzepfandt	Willet
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	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. 876: A bill for an act relating to state government; improving the state's personnel management and labor relations functions; proposing new law coded as Minnesota Statutes, Chapter 43A; proposing new law coded in Minnesota Statutes, Chapter 210A; repealing Minnesota Statutes 1980, Chapter 43.

Senate File No. 876 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Mr. Spear moved that S. F. No. 876 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. 939: A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

Senate File No. 939 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S. F. No. 939, 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. 1087: A bill for an act relating to insurance; providing for the examination of certain insurers; requiring certain reports and providing certain alternatives to examinations; authorizing the commissioner to promulgate rules; broadening the commissioner's power to revoke or suspend certificates of authority; expanding certain insurers' investment authority; allowing the commissioner to regulate an insurer's ratio of qualified assets to required liabilities; broadening the coverage of the financial statement requirement;

providing for annual audits; providing standards for the investment of assets of insurance companies; allowing the use of certain depositories and systems; providing certain limitations on the acquisition of specified investments and holdings; providing for miscellaneous changes and clarifications; amending Minnesota Statutes 1980, Sections 60A.031, Subdivisions 1, 3, 4, 5, and by adding subdivisions; 60A.05; 60A.11, by adding subdivisions; 60A.13, Subdivisions 1 and 6, and by adding subdivisions; 61A.28, Subdivisions 2, 3, and 6; 61A.282; 61A.29, Subdivision 2; 61A.30; 61A.31, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapters 60A and 61A; repealing Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2 to 8.

Senate File No. 1087 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1087 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1087 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:

Ashbach	Dicklich	Langseth	Peterson, D.L.	Stern
Bang	Dieterich	Lantry	Peterson, R.W.	Stokowski
Belanger	Engler	Lessard	Petty	Stumpf
Benson	Frank	Lindgren	Pillsbury	Taylor
Berg	Frederick	Luther	Purfeerst	Tennessee
Berglin	Frederickson	Menning	Ramstad	Ulland
Bernhagen	Hanson	Merriam	Renneke	Vega
Bertram	Hughes	Moe, D. M.	Rued	Waldorf
Brataas	Keefe	Nelson	Schmitz	Wegener
Chmielewski	Knoll	Olhoft	Setzepfandt	Willet
Dahl	Knutson	Pehler	Sikorski	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C.C.	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. 1321: A bill for an act relating to the city of Granite Falls; authorizing the establishment of a community development program and providing powers for it.

Senate File No. 1321 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1981

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 1321 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1321 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 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D.L.	Spear
Bang	Dieterich	Lantry	Peterson, R.W.	Stern
Belanger	Engler	Lessard	Petty	Stokowski
Benson	Frank	Lindgren	Pillsbury	Stumpf
Berg	Frederickson	Luther	Purfeerst	Taylor
Berglin	Hanson	Menning	Ramstad	Tennesen
Bernhagen	Hughes	Moe, D. M.	Renneke	Ulland
Bertram	Humphrey	Nelson	Rued	Vega
Brataas	Keefe	Olhoff	Schmitz	Waldorf
Chmielewski	Knoll	Pehler	Setzepfandt	Wegener
Dahl	Kroening	Penny	Sikorski	Willet
Davis	Kronebusch	Peterson, C.C.	Solon	

Messrs. Davies, Frederick and Merriam voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 704, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 704 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 704

A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; increasing the tax thereon; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b.

May 6, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 704, 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. 704 be further amended as follows:

Page 1, line 26, reinstate the stricken language and delete the new language

Page 5, after line 35, insert:

“Sec. 2. Minnesota Statutes 1980, Section 169.73, is amended to read:

169.73 [BUMPERS, SAFEGUARDS.]

Subdivision 1. [DEFINITIONS.] As used in this section “private passenger vehicle” means a four wheeled passenger automobile, ~~station wagon, or truck of a gross vehicle weight of 9,000 pounds or less, as those terms are defined in section 168.011, or a jeep type automobile,~~ but does not include any a collector vehicle as defined in section 168.10, ~~a station wagon or other multi-purpose vehicle or a truck having a gross weight of 9,000 pounds or less.~~ “Suspension system” includes both the front and rear wheels and tires of a vehicle as specified in subdivision 3.

Subd. 2. [BUMPER REQUIREMENT.] All private passenger vehicles shall be equipped with front and rear bumpers. ~~The bumpers shall be securely attached to the frame, and shall extend beyond the extreme front and rear points, respectively, of the vehicles. The center point of the bumpers shall be not more than 20, nor less than 16, inches from the ground when the vehicle is unloaded, provided that two rigid cross-bars may be attached to any bumper to extend it so that it will reach into a point within the required height from the ground.~~

Subd. 3. [BUMPER RESTRICTONS.] *No person shall operate a passenger automobile, station wagon, jeep type automobile, or truck of a gross weight of 9,000 pounds or less that: (a) Was originally equipped with bumpers as standard equipment, unless the vehicle is equipped with bumpers equal to the original equipment; or (b) Has a suspension system or body so modified that the height of any bumper on the vehicle varies more than three inches from the original manufactured bumper height for the vehicle.*

Subd. 4. [PENALTY.] *Any person who violates this section is guilty of a misdemeanor.”*

Amend the title as follows:

Page 1, line 5, after “plates;” insert “redefining a private passenger vehicle for certain purposes; clarifying certain requirements for front and rear bumpers; providing penalties;”

Page 1, line 5, delete “increasing the tax thereon;”

Page 1, line 6, delete “Section” and insert “Sections”

Page 1, line 7, after "1b" insert "; and 169.73"

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

House Conferees: (Signed) David B. Gruenes, Richard J. Kostohryz

Senate Conferees: (Signed) James C. Pehler, Steve Engler, Mike Menning

Mr. Pehler moved that the foregoing recommendations and Conference Committee Report on H. F. No. 704 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. 704: A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; redefining a private passenger vehicle for certain purposes; clarifying certain requirements for front and rear bumpers; providing penalties; amending Minnesota Statutes 1980, Sections 168.10, Subdivision 1b; and 169.73.

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:

Ashbach	Davis	Kroening	Penny	Spear
Bang	Dicklich	Kronebusch	Peterson, C. C.	Stern
Belanger	Dieterich	Langseth	Peterson, R. W.	Stokowski
Benson	Engler	Lantry	Petty	Stumpf
Berg	Frank	Lessard	Pillsbury	Taylor
Berglin	Frederick	Luther	Purfeerst	Tennessee
Bernhagen	Frederickson	Menning	Ramstad	Ulland
Bertram	Hanson	Merriam	Renneke	Vega
Brataas	Hughes	Moe, D. M.	Schmitz	Waldorf
Chmielewski	Humphrey	Nelson	Setzepfandt	Wegener
Dahl	Keefe	Olhoft	Sikorski	Willet
Davies	Knoll	Pehler	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 Senate File No. 121, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 121: A bill for an act relating to statutory cities and urban towns; permitting publication of summaries of ordinances prior to enactment; amending Minnesota Statutes 1980, Sections 368.01, Subdivision 21; and 412.191, Subdivision 4.

Senate File No. 121 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1981

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. 145 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 145: A bill for an act relating to crimes; authorizing notices of dishonored checks to be made by certified or regular mail and an affidavit of service by mailing; amending Minnesota Statutes 1980, Section 609.535, Subdivision 3.

Senate File No. 145 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1981

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. 445: A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

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

Blatz, Rice and Kelly.

Senate File No. 445 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1981

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. 665: A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

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

Swanson, Greenfield and Kaley.

Senate File No. 665 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1981

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 184, 1163, 284, 647, 826, 1022, 1376, 1048, 1078, 986 and 1051.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No 184: A bill for an act relating to cities; enlarging the class of cities that may maintain cable television or signal distribution systems; clarifying the description of a system; increasing the amount of obligations that may be issued for television systems; providing for revenue obligations; validating prior issuances; amending Minnesota Statutes 1980, Section 465.70.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 76, now on General Orders.

H. F. No. 1163: A bill for an act relating to the Greenway joint recreation board; regulating its tax levies.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 746, now on General Orders.

H. F. No. 284: A bill for an act relating to health; prescribing procedures for notification of parents, guardians, and conservators prior to performing abortions on certain persons; providing a penalty; amending Minnesota Statutes 1980, Section 144.343.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 287, now on the Calendar.

H. F. No. 647: A bill for an act relating to commerce; transferring the powers, duties, staff, and unexpended funds of the board of cosmetology examiners to the office of consumer services; establishing an advisory commission; authorizing licensing by occupation and operations; providing for enforcement; providing a complaint handling procedure; prescribing penalties; providing remedies; amending Minnesota Statutes 1980, Section 214.01, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapter 155A; repealing Minnesota Statutes 1980, Sections 155.01 to 155.21.

Referred to the Committee on Commerce.

H. F. No. 826: A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

Referred to the Committee on Finance.

H. F. No. 1022: A bill for an act relating to claims against the state; appropriating money for the payment thereof.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 855, now on the Calendar.

H. F. No. 1376: A bill for an act relating to appropriations; appropriating funds to the public utilities commission for a report on natural gas rate averaging; directing the averaging of rates in a certain geographic area; proposing new law coded in Minnesota Statutes, Chapter 216B.

Referred to the Committee on Commerce.

H. F. No. 1048: A bill for an act relating to insurance; removing insurance solicitors from insurance licensing provisions; prescribing certain fees; providing for licensing of certain legal entities as agents; providing for the licensing of other insurance agents; providing for examinations; providing exceptions to the licensing requirements; authorizing temporary licenses; providing for appointment of agents by insurers; prohibiting certain persons from obtaining an agent's license; providing for the revocation or suspension of licenses upon specified conditions; providing for the surrender, loss, or destruction of licenses; prescribing certain powers of the commissioner; authorizing the sale of contracts on a variable basis without licensure in certain circumstances; authorizing the commissioner to promulgate rules; prescribing penalties; amending Minnesota Statutes 1980, Sections 60A.02, Subdivision 7; 60A.14, Subdivision 1; 60A.17, Subdivisions 1, 3, 5, 6, 10, 12, and 13, and by adding subdivisions; repealing Minnesota Statutes 1980, Sections 60A.02, Subdivision 8; and 60A.17, Subdivisions 2, 2a, 2b, 4, 5a, 6a, 7, and 9.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1252, now on General Orders.

H. F. No. 1078: A bill for an act relating to transportation; providing for the repair of impassable town roads; establishing a dollar limit per mile for work performed by a county on impassable town roads; amending Minnesota Statutes 1980, Section 163.16, Subdivision 3.

Referred to the Committee on Transportation.

H. F. No. 986: A bill for an act relating to financial institutions; savings associations; increasing the loan term of direct reduction loans; providing for the organization, operation, conversion, merger, reorganization, consolidation, and dissolution of mutual and capital stock associations; granting the commissioner certain supervisory powers; providing certain examination and reporting requirements; authorizing the issuance and sale of capital certificates; authorizing the payment of dividends on capital stock; authorizing the issuance of certain accounts to married persons or minors as sole owners thereof; defining terms; prescribing penalties; amending Minnesota Statutes 1980, Sections 51A.02, Subdivisions 2 and 4, and by adding subdivisions; 51A.03; 51A.04; 51A.07; 51A.08; 51A.09; 51A.10; 51A.11; 51A.12; 51A.13; 51A.15, Subdivision 7; 51A.19, Subdivision 1, and by adding subdivisions; 51A.20; 51A.21, Subdivision 5, and by adding subdivisions; 51A.22; 51A.50; 51A.52; 51A.53; proposing new law coded in Minnesota Statutes, Chapter 51A; repealing Minnesota Statutes 1980, Sections 51A.06, Subdivisions 1 and 2; and 51A.49.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 953, now on General Orders.

H. F. No. 1051: A bill for an act relating to health; changing the claim limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; establishing a moratorium on certain uranium drilling; changing the penalties for violations; amending Minnesota Statutes 1980, Sections 145.22; 156A.02, Subdivisions 1, 2, and 3; 156A.03, Subdivisions 1 and 2; 156A.05; 156A.07, Subdivisions 1 and 4; and 156A.08.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1317, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. 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

S. F. No. 1337: A bill for an act relating to appropriations; appropriating funds to the public utilities commission for a report on natural gas rate averaging; directing the averaging of rates in a certain geographic area.

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

Page 1, line 8, before the period, insert “; TREATMENT OF CERTAIN CUSTOMERS”

Page 1, delete lines 9 to 16

Page 1, line 17, delete everything before “*Notwithstanding*”

Page 1, line 19, delete “*providing*” and insert “*which provides*”

Page 1, line 20, delete “*not charge*” and insert “*determine its cost of service for rate-making purposes for its entire Minnesota service area by averaging its cost of gas from all sources including manufactured gas so that*”

Page 1, delete line 21

Page 1, line 22, delete “*charged to*”

Page 1, line 22, delete “*other*” and insert “*all*”

Page 1, line 23, after “*area*” insert “*will be charged substantially the same rates*”

Page 1, line 24, delete “*rates*” and insert “*costs of service*”

Page 2, line 1, delete “*areas*” and insert “*sources*”

Page 2, delete line 3 and insert “*Within 60 days after the effective date of this act, any utility subject to this act shall file with the public utilities commission revised rates to reflect the rate increases and decreases necessary to meet the equalized cost of service required by this act.*”

Sec. 3. [REPEALER.]

This act is repealed effective July 1, 1983."

Amend the title as follows:

Page 1, line 2, delete "appropriations; appropriating funds to the"

Page 1, line 3, delete "commission for a report on natural"

Page 1, line 4, delete "gas rate averaging"

Page 1, line 4, delete "rates" and insert "natural gas costs of service"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

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

H. F. No. 161: A bill for an act relating to the city of Cloquet; permitting the city to contract, pay, and tax for certain public transportation services.

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

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

S. F. No. 1363: A bill for an act relating to taxation; delayed assessment of value added by restoration, preservation, and rehabilitation of historically designated buildings; proposing new law coded in Minnesota Statutes, Chapter 273.

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

Page 1, line 11, after "*property*" insert "*other than single family residential property*"

Page 1, line 12, delete "*either*"

Page 1, line 14, delete "*or by the local heritage preservation*"

Page 1, line 15, delete "*commission*"

Page 1, line 20, delete "*At*" and insert "*On January 2 following*"

Page 1, line 24, delete "*assessed valuation*" and insert "*estimated market value*"

Page 2, line 1, delete "*the*" and insert "*that*" and delete "*such*"

Page 2, line 2, delete "*assessed valuation*" and insert "*estimated market value*"

Page 2, line 3, delete "*assessed valuation*" and insert "*estimated market value*"

Page 2, line 28, after the period, insert "*The granting of a delayed assessment shall be subject to the approval of the board of commissioners of the county in which the property is located.*"

Page 3, line 8, delete "*lands*" and insert "*property*"

Page 3, line 19, delete "*restoration, preservation, or*"

Page 3, delete line 20

Page 3, line 21, delete "and for"

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for"

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

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

S. F. No. 395: A bill for an act relating to taxation; extending the period for filing gravel tax reports and sending notice of overdue returns; amending Minnesota Statutes 1980, Section 298.75, Subdivisions 2 and 3.

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 Finance, to which was re-referred

S. F. No. 775: A bill for an act relating to health; providing for home health services through the community health services act; changing certain funding formulas; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.913, by adding a subdivision; 145.914, Subdivision 2; 145.915, by adding a subdivision; 145.918, by adding a subdivision; 145.919; 145.921; and 145.95, Subdivision 5.

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

Pages 4 and 5, delete section 5

Page 6, line 21, after "shall" insert "*after consulting with the department of public welfare, other public agencies, private agencies, associations, providers, and other interested persons, promulgate rules pursuant to chapter 15 to*"

Page 6, line 33, delete everything after the period

Page 6, line 34, delete everything before "All"

Page 7, after line 11, insert:

"Sec. 8. Minnesota Statutes 1980, Section 145.918, is amended by adding a subdivision to read:

Subd. 4. The commissioner of health shall maintain the office of community development under the supervision of an assistant commissioner. The office of community development shall assist the state community health services advisory committee and local governments through their local boards of health to develop and to maintain a system of local community health services by conducting activities as the commissioner of health or the state community health services advisory committee may assign."

Pages 7 to 10, delete section 10

Page 10, delete section 12

Page 10, line 22, delete "11" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "changing"

Page 1, delete line 4

Page 1, line 7, delete everything after the semicolon

Page 1, line 8, delete "subdivision;"

Page 1, line 9, delete "a subdivision" and insert "subdivisions"

Page 1, line 10, delete "145.921;"

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

Mr. Willet from the Committee on Finance, to which was referred

H. F. No. 247: A bill for an act relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services.

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

Page 2, line 34, after "Minneapolis" insert a comma

Page 3, line 24, delete "all" and insert "the period of"

Page 3, line 25, delete "rendered subsequent to" and insert "from February 4, 1980, until"

Page 3, line 25, delete "be"

Page 3, delete lines 26 to 30 and insert "of a change in retirement coverage made pursuant to section 1;"

Page 4, line 2, after the comma, insert "a state employee who prior to attaining that status in 1972 was employed by the house of representatives between January 1, 1963 and August 1, 1969, or"

Page 4, line 4, delete "either"

Page 4, line 4, delete "or who" and insert a comma

Page 4, delete line 5

Page 4, line 6, delete "state"

Page 4, after line 6, insert:

"(i) From the Minnesota state retirement system, any employee or former employee of the department of employment services who was employed during the period January 1, 1942 to June 17, 1947, by the United States employment service and who became a public employee covered by one of the retirement funds enumerated in section 356.30, subdivision 3, subsequent to June 17, 1947, for the period of service with the United States employment service."

Page 4, line 9, delete "and"

Page 4, line 9, before "there" insert "and (i),"

Page 5, line 3, after the period, insert "Authority to make a lump sum payment or to make an agreement to make installment payments shall expire on July 1, 1982."

Page 5, line 11, after "established" insert "for current or former senate employees by certification of the committee on rules and administration of the senate and for current or former house employees"

Page 6, after line 2, insert:

"Sec. 3. Minnesota Statutes 1980, Section 352.91, is amended by adding a subdivision to read:

Subd. 3a. [SECURITY GUARDS.] Covered correctional service shall also mean service rendered prior to January 1, 1981, in the classification of security guard by any employee employed in a covered correctional position on January 1, 1981.

Sec. 4. [TEMPORARY PROVISION.]

A person to whom section 3 applies shall make an additional contribution to the Minnesota state retirement system of an amount equal to the difference between the member contributions made during service by the person in the classification of security guard prior to January 1, 1981, and the amount of member contributions that would have otherwise been made if Minnesota Statutes, Section 352.92, Subdivision 1, had been applicable to that service, plus interest at the rate of six percent per annum compounded annually. Payment by the person shall be made in one lump sum. Covered correctional service shall be credited to the person only after receipt of full payment by the executive director. Authority to make a lump sum payment shall expire on July 1, 1982. When a person makes the additional member contribution required by this section, the department of corrections shall make an additional contribution to the Minnesota state retirement system of an amount equal to the difference between the contributions made on behalf of the person during service by the person in the classification of security guard prior to January 1, 1981, and the amount of the employer contributions that would have otherwise been made if Minnesota Statutes, Section 352.92, Subdivision 2, had been applicable to that service, plus interest at the rate of six percent per annum compounded annually. Payment by the department shall be made in one lump sum."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before the period, insert "; providing for retroactive coverage by the Minnesota state retirement system correctional employees retirement plan in certain instances; amending Minnesota Statutes 1980, Section 352.91, by adding a subdivision"

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

Mr. Willet from the Committee on Finance, to which was referred

H. F. No. 1125: A bill for an act relating to economic development; pro-

viding for changes in the small business finance agency law to better provide assistance for small business; making technical changes; amending Minnesota Statutes 1980, Sections 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; repealing Minnesota Statutes 1980, Section 362.50, Subdivisions 6 and 7.

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 132: A bill for an act relating to retirement; Duluth teachers retirement fund association; authorizing an increase in retirement allowances and benefits for certain teachers; establishing a new coordinated retirement program within the retirement fund association; amending Minnesota Statutes 1980, Sections 354A.011, Subdivision 11; 354A.092; 354A.093; 354A.12, Subdivisions 1 and 2; 354A.24; 354A.32; 354A.39; and 354A.41.

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

Pages 4 to 6, delete section 5

Page 7, line 20, delete "10 and 11" and insert "9 and 10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "Subdivisions" and insert "Subdivision" and delete "and 2"

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 315: A bill for an act relating to health; establishing a state advisory task force on epilepsy; appropriating money.

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

Page 1, lines 13, 14 and 22, delete "five" and insert "three"

Page 1, line 17, delete "ten" and insert "five"

Page 1, line 18, delete "are" and insert "have"

Page 1, line 19, delete "interested in" and insert "particular knowledge of"

Page 1, line 19, delete "shall appoint"

Page 1, delete lines 20 and 21

Page 2, line 15, delete "June 30" and insert "January 1"

Page 2, line 28, after "of" insert "a" and delete "and other"

Page 2, line 29, delete "employees" and insert "employee"

Page 2, line 29, delete "as the task force deems"

Page 2, line 30, delete "necessary"

Page 3, line 22, after the dollar sign, insert "\$50,000"

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 120: A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 333.055, Subdivision 4; 333.19, Subdivision 1; 367.42, Subdivision 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 300, 302A, and 316; repealing Minnesota Statutes 1980, Sections 300.082 and 301.01 to 301.67.

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

Page 120, line 3, delete "\$131,800" and insert "\$23,800"

Page 120, delete line 9

Page 120, line 10, delete "(b) Other duties"

Page 120, line 15, delete "1984" and insert "1985"

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 1143 for comparison with 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.
1143	1139				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1143 be amended as follows:

Page 9, delete lines 19 to 21 and insert:

"(i) Sections 511 to 514 (dealing with unrelated business income), and

(ii) Section 527 (dealing with political organizations) and section 528 (dealing with certain homeowners associations) but"

Page 9, line 25, after "imposed" insert "on the organization's unrelated business taxable income (as defined in section 512 of the Internal Revenue Code) or"

Page 9, line 27, before the period insert "unless the organization is an estate or a trust, in which case the tax shall be at the rates provided for individuals, estates and trusts."

Page 10, after line 24, insert:

“Subd. 5. Any organization referred to in subdivision 1, clause (b), (c), or (d) that engages in any unrelated trade or business (as defined in sections 511 to 514 of the Internal Revenue Code), or has income from any property not used in a related trade or business, shall be subject to taxation under this chapter as provided in subdivision 3 computed on the net income from such property or such unrelated trade or business.”

Page 10, line 25, delete “5” and insert “6”

Page 10, line 33, delete “6” and insert “7”

Page 10, line 36, delete “7” and insert “8”

Page 15, line 7, insert a comma after “*individuals*”

Page 24, line 18, delete “, *may in his discretion,*”

Page 26, line 13, before the comma insert “*occurring in the first calendar year when the payer fails to file a return. In each later calendar year when the payer fails to file a return, the amount of the penalty for each failure shall be double the amount charged the payer as the penalty for each failure in the last preceding year when the payer was assessed such a penalty*”

Page 26, line 15, delete “\$1,000” and insert “\$25,000”

Page 30, line 29, after the period insert “*Where the same facts are considered, except where there is fraud or a mistake of law, the commissioner shall accept the determination of federal adjusted gross income (or federal taxable income for estates or trusts) that has been made as the result of an audit by the Internal Revenue Service when the taxpayer has accepted the results of the audit or the issue has been decided by a court and no appeal of the decision is pending.*”

Page 35, line 29, reinstate the stricken language

Page 43, line 5, after “*paid.*” insert “*If the penalty as computed does not exceed \$10, a minimum penalty of \$10 shall be assessed.*”

Page 47, line 17, delete “*such*” and insert “*that*” and after “*were*” insert “*the lesser*”

Page 47, line 18, strike “*whichever*” and strike “*is the lesser*” and insert a colon

Page 49, delete lines 22 to 36

Page 50, delete lines 1 to 17 and insert:

“Sec. 38. [290.521] [ACTION TO ENJOIN INCOME TAX RETURN PREPARERS.]

Subdivision 1. [AUTHORITY TO SEEK INJUNCTION.] A civil action in the name of the state of Minnesota to enjoin any person who is an income tax return preparer doing business in this state from further engaging in any conduct described in subdivision 2 or from further acting as an income tax return preparer may be commenced at the request of the commissioner of revenue. Any action under this section shall be brought by the attorney general in the district court for the judicial district in which the income tax return preparer resides or has his principal place of business, or in which the taxpayer with respect to whose income tax return the action is brought resides. The court

may exercise its jurisdiction over such action separate and apart from any other action brought by the state of Minnesota against such income tax return preparer or any taxpayer.

Subd. 2. [ADJUDICATION AND DECREES.] In any action under subdivision 1, if the court finds:

(a) that an income tax return preparer has:

(1) engaged in any conduct subject to the criminal penalty provided by section 39, or subject to the civil penalties under section 40,

(2) misrepresented his eligibility to practice before the department of revenue, or otherwise misrepresented his experience or education as an income tax return preparer,

(3) guaranteed the payment of any tax refund or the allowance of any tax credit, or

(4) engaged in any other fraudulent or deceptive conduct which substantially interferes with the proper administration of the provisions of this chapter, and

(b) that injunctive relief is appropriate to prevent the recurrence of such conduct,

the court may enjoin such person from further engaging in such conduct. If the court finds that an income tax return preparer has continually or repeatedly engaged in any conduct described in clauses (1) through (4) of clause (a) of this subdivision, and that an injunction prohibiting such conduct would not be sufficient to prevent such person's interference with the proper administration of this chapter, the court may enjoin such person from acting as an income tax return preparer.

Subd. 3. [INCOME TAX RETURN PREPARER DEFINED.] For purposes of this section and section 40, the term "income tax return preparer" means any person who prepares for compensation, or who employs one or more persons to prepare for compensation, any return of tax imposed by this chapter, or any claim for refund of tax imposed by this chapter. For purposes of the preceding sentence, the preparation of a substantial portion of a return or claim for refund shall be treated as if it were the preparation of such return or claim for refund.

A person shall not be an income tax preparer merely because such person:

(a) furnishes typing, reproducing, or other mechanical assistance,

(b) prepares a return or claim for refund of the employer (or an officer or employee of the employer) by whom he is regularly and continuously employed,

(c) prepares as a fiduciary a return or claim for refund of any person, or

(d) prepares a claim for refund for a taxpayer in response to any notice of deficiency issued to such taxpayer, or in response to any waiver of restriction after the commencement of an audit of such taxpayer or another taxpayer, if a determination in such audit of such other taxpayer directly or indirectly affects the tax liability of the first taxpayer.

Sec. 39. [290.522] [PREPARATION OF FALSE OR FRAUDULENT

RETURN.]

Any person (whether or not an income tax return preparer as defined in section 38, subdivision 3) who wilfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any matter arising under the provisions of this chapter, of a return, affidavit, claim, or other document, which he knows to be fraudulent or false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document, shall be guilty of a felony, and may be prosecuted in the same manner and within the same period of limitations as provided in section 290.53, subdivision 4.

Sec. 40. [290.523] [UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY INCOME TAX RETURN PREPARER.]

Subdivision 1. [NEGLIGENT OR INTENTIONAL DISREGARD OF STATUTORY PROVISIONS OR RULES.] If any part of any understatement of liability with respect to any return or claim for refund is due to the negligent or intentional disregard of the provisions of this chapter, or the rules prescribed by the commissioner of revenue in connection therewith, by any person who is an income tax return preparer (as defined in section 38, subdivision 3) with respect to such return or claim, such person shall pay to the commissioner a penalty of \$100 with respect to such return or claim. This penalty shall be collected in the same manner as any delinquent income tax.

Subd. 2. [WILFUL UNDERSTATEMENT OF LIABILITY.] If any part of any understatement of liability with respect to any return or claim for refund is due to a wilful attempt in any manner to understate the liability for a tax by a person who is an income tax return preparer with respect to such return or claim, such person shall pay to the commissioner a penalty of \$500 with respect to such return or claim. This penalty shall be collected in the same manner as any delinquent income tax. With respect to any return or claim, the amount of the penalty payable by any person by reason of this subdivision shall be reduced by the amount of the penalty paid by such person by reason of subdivision 1.

Subd. 3. [UNDERSTATEMENT OF LIABILITY DEFINED.] For purposes of this section, the term "understatement of liability" means any understatement of the net amount payable with respect to any tax imposed by this chapter, or any overstatement of the net amount creditable or refundable with respect to any such tax. The determination of whether or not there is an understatement of liability shall be made without regard to any administrative or judicial action involving the taxpayer.

Subd. 4. [ABATEMENT OF PENALTY.] The commissioner of revenue shall have the power to abate the penalties imposed by subdivisions 1 and 2:

(a) if at any time in regard to the liability of the taxpayer, there is a final determination by the commissioner or a final judicial decision which shows that there was no understatement of liability on the return or claim for refund with respect to which a penalty has been assessed, or

(b) when in his opinion their enforcement would be unjust and inequitable.

Sec. 41. Minnesota Statutes 1980, 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."

Page 50, line 18, delete "39" and insert "42" and after "290A.07," insert "Subdivision 2,"

Page 50, delete lines 20 to 23

Page 50, after line 34, insert:

"Sec. 43. Minnesota Statutes 1980, Section 290A.07, Subdivision 3, is amended to read:"

Page 51, delete lines 5 to 8

Page 51, line 9, delete "40" and insert "44"

Page 51, line 19, after "married" insert ", divorced, or separated"

Page 51, line 24, delete "41" and insert "45"

Page 51, line 35, after "person" insert "(whether or not a property tax refund return preparer as defined in section 45, subdivision 3)"

Page 52, line 9, delete "42" and insert "46"

Page 52, after line 14, insert:

"Sec. 47. [290A.111] [ACTION TO ENJOIN PROPERTY TAX REFUND RETURN PREPARERS.]

Subdivision 1. [AUTHORITY TO SEEK INJUNCTION.] A civil action in the name of the state of Minnesota may be commenced in the same manner and pursuant to the same authority as provided in section 35, subdivision 1, to enjoin any person who is a property tax refund return preparer doing business in this state from further engaging in any conduct described in subdivision 2 or from further acting as a property tax refund return preparer.

Subd. 2. [ADJUDICATION AND DECREES.] In any action under subdivision 1, if the court finds:

(a) that a property tax refund return preparer has:

(1) engaged in any conduct subject to the criminal penalty provided by section 290A.11, subdivision 2, or subject to the civil penalties under section 46,

(2) misrepresented his eligibility to practice before the department of revenue, or otherwise misrepresented his experience or education as a property tax refund return preparer,

(3) guaranteed the payment of any property tax refund or the allowance of any property tax refund credit against income tax,

(4) engaged in any other fraudulent or deceptive conduct which substantially interferes with the proper administration of the provisions of this chapter,

the court may decree such injunctive relief as is appropriate, pursuant to the authority granted in section 35, subdivision 2.

Subd. 3. [PROPERTY TAX REFUND RETURN PREPARER DEFINED.] For purposes of this section and section 46, the term "property tax refund return preparer" shall have the same meaning as the term "income tax return preparer" as defined in section 35, subdivision 3, to the extent that such definition applies to the preparation and/or administration of a claim for relief under this chapter.

Sec. 48. [290A.112] [OVERSTATEMENT OF TAXPAYER'S CLAIM BY PROPERTY TAX REFUND RETURN PREPARER.]

Subdivision 1. [NEGLIGENT DISREGARD OF STATUTORY PROVISIONS OR RULES.] If any part of an excessive claim with respect to any property tax refund return is due to the intentional disregard of the provisions of this chapter, or the rules prescribed by the commissioner in connection therewith, by any person who is a property tax refund return preparer (as defined in section 45, subdivision 3) with respect to such return, such person shall pay to the commissioner a penalty of \$100 with respect to such return. This penalty shall be collected in the same manner as any delinquent income tax.

Subd. 2. [WILFUL OVERSTATEMENT OF CLAIM.] If any part of an excessive claim with respect to any property tax refund return is due to a wilful attempt in any manner to overstate the claim for relief allowed under this chapter by a person who is a property tax refund return preparer with respect to such return, such person shall pay to the commissioner a penalty of \$500 with respect to such return. This penalty shall be collected in the same manner as any delinquent income tax. With respect to any return, the amount of the penalty payable by any person by reason of this subdivision shall be reduced by the amount of the penalty paid by such person by reason of subdivision 1.

Subd. 3. [OVERSTATEMENT OF CLAIM DEFINED.] For purposes of this section, the term "overstatement of claim" means any overstatement of the net amount refundable, or the net amount creditable against income tax, with respect to any claim for property tax relief provided by this chapter. The determination of whether or not there is an overstatement of a claim shall be made without regard to any administrative or judicial action involving the claimant."

Page 52, delete lines 15 to 17 and insert:

"Sec. 49. [REPEALER.]

Subdivision 1. Minnesota Statutes 1980, Section 290.032, Subdivision 4, is repealed.

Subd. 2. Minnesota Statutes 1980, Section 290A.07, Subdivision 4, is repealed."

Page 52, line 18, delete "44" and insert "50"

Page 52, line 19, delete "and"

Page 52, line 20, after "35" insert ", 38, 39 and 47"

Page 52, line 21, delete "and 43" and insert "40, and 49, subdivision 1"

Page 52, line 23, delete "6" and insert "7"

Page 52, line 24, delete "7" and insert "8"

Page 52, line 30, delete "40 and 42" and insert "44 and 46"

Page 52, line 33, delete "38 and 39" and insert "41, 42, 43, 48, and 49, subdivision 2"

Page 52, line 35, delete "41" and insert "45"

Page 53, line 2, delete "41" and insert "45"

Amend the title as follows:

Page 1, line 21, after "representative;" insert "providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns;"

Page 1, line 39, delete "providing"

Page 1, delete lines 40 and 41

Page 1, line 42, delete "return;" and insert "providing for the computation of basis; providing for the liability of taxes due on a combined return; clarifying property tax refund interest provisions; providing penalties;"

Page 2, line 2, after "1" delete the comma and insert "and"

Page 2, line 8, after "Subdivision" delete "8" and insert "7"

Page 2, line 8, after "290A.07" insert ", Subdivisions 2 and 3"

Page 2, line 9, before "repealing" insert "proposing new law coded in Minnesota Statutes, Chapters 290 and 290A;"

Page 2, line 10, delete "Section" and insert "Sections" and before the period insert "; and 290A.07, Subdivision 4"

And when so amended H. F. No. 1143 will be identical to S.F.No. 1139, and further recommends that H. F. No. 1143 be given its second reading and substituted for S. F. No. 1139, 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. Willet from the Committee on Finance, to which was re-referred

S. F. No. 1095: A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

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

Page 1, line 24, after "4" insert "in accordance with state and federal law and regulation"

Page 2, lines 1 and 2, delete "so that each agency's share of the appropria-

tion is" and insert "under either clause (a) or (b), whichever is more advantageous to the agency.

(a) In proportion to the size of the poverty level population served by the agency when compared to the size of the poverty level population in the state; or

(b)"

Page 2, line 3, delete "(a)" and insert "(1)"

Page 2, line 10, delete "(b)" and insert "(2)"

Page 2, line 16, delete "(c)" and insert "(3)"

Page 2, after line 31, insert:

"If the appropriation is insufficient to fully fund each agency, the insufficiency shall be prorated among the agencies."

Page 2, after line 34, insert:

"Subd. 4. [DEFINITION.] For the purposes of sections 2 to 4, "poverty level population" means the number of people whose household income is below the poverty line established by the United States Department of Commerce, Bureau of the Census."

Page 3, line 10, delete "18" and insert "15"

Page 3, line 13, insert a period after "representatives" and delete the rest of the line

Page 3, delete lines 14 to 17

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 887: A bill for an act relating to the housing finance agency; authorizing temporary rulemaking to define certain terms; providing for a revolving account; permitting certain loans; appropriating money; amending Minnesota Statutes 1980, Sections 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivision 17, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; and 462C.03, by adding a subdivision; repealing Minnesota Statutes 1980, Section 462A.21, Subdivision 11.

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

Page 1, after line 15, insert:

"Section 1. Minnesota Statutes 1980, Section 422A.05, is amended by adding a subdivision to read:

Subd. 7. The board may invest funds with the Minneapolis/Saint Paul family housing fund or any successor to its functions for the purpose of allowing the Minneapolis/Saint Paul family housing fund or any successor to its functions to make loans to purchasers of dwelling units which the purchaser intends to

occupy as the purchaser's place of residence. The investment shall be evidenced by a loan agreement which shall provide the terms and conditions for repayment of the investment."

Page 3, line 20, after the period, insert "*No loan under this subdivision shall be denied solely on the basis of the inability of the applicant to make periodic loan payments.*"

Page 3, line 30, strike "the"

Page 3, strike lines 31 and 32

Page 3, line 33, strike "terms inconsistent with section 47.20"

Page 3, line 35, delete "*, subdivision 6*" and insert "*conventional loans owned by the agency on the effective date of this subdivision 17 or thereafter made or purchased may contain provisions which limit, condition, or prohibit assumption of the loans*"

Page 3, after line 35, insert:

"Sec. 6. Minnesota Statutes 1980, Section 462A.05, Subdivision 19, is amended to read:

Subd. 19. It may make no interest loans of up to \$4,000 to persons and families of low and moderate income who are veterans or veterans' dependents to assist in making down payments to enable them to purchase new or existing housing to be used as their principal place of residence. To be eligible, the veterans or veteran's dependent must be a first time home owner, and must enter into an agreement with the agency, with appropriate security as determined by the agency, to repay the loan amount in full when the property is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence. For the purpose of this subdivision, "veteran" means a person residing in Minnesota who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, ~~and who is a citizen of the United States,~~ and who served at any time during the period from August 5, 1964 to May 7, 1975; and "veteran's dependent" means a person residing in Minnesota who is the unmarried surviving spouse of a veteran."

Page 4, line 33, after "that" insert "(1)"

Page 4, line 35, after "grants" insert "*, and (2) moneys appropriated for the purpose of section 462A.21, subdivisions 4a, 4f, and 4g, may only be transferred for the purpose of section 11*"

Page 5, line 21, delete "3" and insert "4"

Page 6, delete lines 5 to 11 and insert:

"Subd. 10. Notwithstanding any provision of this chapter, not more than 20 percent of the aggregate dollar amount of bond proceeds and any other funds appropriated by any city within any calendar year to make or purchase loans providing single family housing or dwelling units for sale within multifamily housing developments described in section 462C.05, subdivision 3, shall be appropriated to provide single family housing for persons or families whose gross income exceeds the limit in section 462C.03, subdivision 2. If 20 percent

of the total amount of funds so appropriated by the city in any calendar year is expended for housing not within the limit, no additional funds may be expended pursuant to any other similar appropriation until the remaining 80 percent is expended for housing within the limit."

Page 6, after line 11, insert:

"Sec. 14. Minnesota Statutes 1980, Section 462C.05, Subdivision 3, is amended to read:

Subd. 3. A development may be located within a redevelopment project area established pursuant to chapter 462 or within a development district established pursuant to chapter 472A or within an industrial development district established pursuant to section 458.191 without regard to the limitations and conditions set forth in ~~section 462C.03~~ and in subdivision 2, and without regard to those set forth in ~~section 462C.03~~ except section 13.

Sec. 15. Minnesota Statutes 1980, Section 462C.07, Subdivision 2, is amended to read:

Subd. 2. The aggregate principal amount of revenue bonds or other obligations issued by a city pursuant to this section shall not exceed an amount equal to \$1,000 times its population for the first 50,000 persons, plus \$500 times its population in excess of 50,000, until otherwise provided by law, *except that the aggregate amount of revenue bonds or other obligations issued by a city for rental projects shall be excluded from the maximum amount provided for in this subdivision*. Its population shall be determined by the last federal census, or by the last official estimate of the metropolitan council, for a city in the metropolitan area, whichever is greater.

Sec. 16. [462C.09] [ALLOCATION OF QUALIFIED MORTGAGE BONDS.]

The applicable limit for the Minnesota housing finance agency, pursuant to section 103A (g) of the Internal Revenue Code of 1954 as amended through December 31, 1980, for any calendar year commencing with calendar year 1981, shall be 100 percent of the state ceiling for that year, reduced only by any amounts of bonds which have been or may be allocated by law to specified cities.

By July 1 of each year, any city which has received by law an allocation of the state ceiling shall certify to the agency the amount of bonds subject to the state ceiling which the city intends to issue during the calendar year. If the amount certified is less than the amount allocated by law to the city, the applicable limit for the agency shall be increased by the difference between the amount allocated by law to the city, and the amount certified by the city, to the agency.

Sec. 17. [462C.10] [OFFICIAL ACTION EXCEPTION.]

Bonds or other obligations which were approved by official action of a city before April 25, 1979, and exempted from the provisions of the Mortgage Subsidy Bond Tax Act of 1980, P.L. 96-499, pursuant to section 1104(b) may be issued without regard to the restrictions of chapter 462C.07, subdivision 2, except that for the purpose of subsequent bond issues, the exempted issues shall count against the cap provided in chapter 462C.07, subdivision 2."

Page 6, line 12, before "The" insert "[EXEMPTION.]" and begin a new

paragraph with "The"

Page 6, line 12, delete "section 11" and insert "sections 13 and 14"

Page 6, line 20, delete "\$22,255,000" and insert "\$21,587,300"

Page 6, line 25, delete "8" and insert "10"

Page 6, after line 26, insert:

"The authority granted to the agency by section 9 to transfer moneys among appropriated accounts shall not apply to the appropriation in this paragraph (a)."

Page 6, line 31, delete "\$15,075,000" and insert "\$14,407,300"

Page 7, after line 1, insert:

"Sec. 21. [EFFECTIVE DATE.]

Sections 1 to 19 are effective the day after enactment."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to housing; permitting certain investments by the Minneapolis retirement board; authorizing temporary rulemaking to define certain terms; providing for the continuation of staff complement; providing for changes in the assumability of agency loans; making non-citizen veterans eligible for certain loans; permitting certain loans; permitting the transfer of certain funds; providing for a revolving account; restricting the use of municipal housing revenue bonds in redevelopment areas; eliminating restrictions on the issuance of certain bonds exempted by federal law; appropriating money; amending Minnesota Statutes 1980, Sections 422A.05, by adding a subdivision; 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivisions 17 and 19, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; 462C.03, by adding a subdivision; 462C.05, Subdivision 3; 462C.07, Subdivision 2; proposing new law coded in Chapter 462C; repealing Minnesota Statutes 1980, Section 462A.21, Subdivision 11."

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1363, 395, 775, 132, 315, 120, 1095 and 887 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 161, 247, 1125 and 1143 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Dieterich moved that the name of Mr. Frank be added as co-author to S. F. No. 636. The motion prevailed.

Mr. Menning introduced—

Senate Resolution No. 59: A Senate resolution directing the Health, Welfare, and Corrections Committee to conduct an interim study of the social costs of motorcycle accident injuries and fatalities.

Referred to the Committee on Rules and Administration.

Mr. Peterson, R.W. introduced—

Senate Resolution No. 60: A Senate resolution congratulating the people of the city of North Branch on the 100th anniversary of its settlement.

Referred to the Committee on Rules and Administration.

Mr. Spear moved that S. F. No. 876 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 876 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 876: A bill for an act relating to state government; improving the state's personnel management and labor relations functions; amending Minnesota Statutes 1980, Sections 3.095; 15.55; 16A.17, Subdivision 7; 216A.035; and 484.54, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 43A; proposing new law coded in Minnesota Statutes, Chapter 210A; repealing Minnesota Statutes 1980, Chapter 43.

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:

Ashbach	Dieterich	Lantry	Peterson, D.L.	Stern
Bang	Frank	Lessard	Peterson, R.W.	Stokowski
Belanger	Frederick	Lindgren	Petty	Stumpf
Benson	Frederickson	Luther	Pillsbury	Taylor
Berg	Hanson	Menning	Purfeerst	Tennessee
Berglin	Hughes	Merriam	Ramstad	Ulland
Bernhagen	Humphrey	Moe, D. M.	Renneke	Vega
Bertram	Johnson	Moe, R. D.	Rued	Waldorf
Chmielewski	Knoll	Nelson	Schmitz	Wegener
Dahl	Knutson	Olhoft	Setzepfandt	Willet
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	
Dicklich	Langseth	Peterson, C.C.	Spear	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar. The motion prevailed.

SUSPENSION OF RULES

Without objection, the lie-over requirement was suspended.

CALENDAR

H. F. No. 586: A bill for an act relating to crimes; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 15.1695, Subdivision 1; 595.02; 609.346; 609.348; 609.35; and 626.556, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 609.

Was read the third time 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:

Ashbach	Dicklich	Langseth	Peterson, C. C.	Spear
Bang	Dieterich	Lantry	Peterson, D. L.	Stokowski
Belanger	Engler	Lessard	Peterson, R. W.	Stumpf
Benson	Frank	Lindgren	Petty	Taylor
Berg	Frederick	Luther	Pillsbury	Tennessee
Berglin	Frederickson	Menning	Purfeerst	Ulland
Bernhagen	Hanson	Merriam	Ramstad	Vega
Bertram	Hughes	Moe, D. M.	Renneke	Waldorf
Brataas	Humphrey	Moe, R. D.	Rued	Wegener
Chmielewski	Johnson	Nelson	Schmitz	Willet
Dahl	Knoll	Olhoft	Setzepfandt	
Davies	Kroening	Pehler	Sikorski	
Davis	Kronebusch	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 691: A bill for an act relating to courts; permitting the use of electronic recording equipment in certain court proceedings; amending Minnesota Statutes 1980, Sections 486.02; and 486.03; proposing new law coded in Minnesota Statutes, Chapter 484.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 36 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Lessard	Purfeerst	Tennessee
Bang	Dahl	Luther	Ramstad	Ulland
Belanger	Davies	Menning	Renneke	Waldorf
Benson	Engler	Merriam	Rued	Wegener
Berg	Frederick	Nelson	Setzepfandt	
Bernhagen	Frederickson	Olhoft	Solon	
Bertram	Hanson	Peterson, D. L.	Spear	
Brataas	Langseth	Pillsbury	Taylor	

Those who voted in the negative were:

Berglin	Humphrey	Lantry	Peterson, R. W.	Stumpf
Davis	Johnson	Lindgren	Petty	Vega
Dicklich	Knoll	Moe, D. M.	Schmitz	Willet
Dieterich	Knutson	Moe, R. D.	Sikorski	
Frank	Kroening	Penny	Stern	
Hughes	Kronebusch	Peterson, C. C.	Stokowski	

So the bill passed and its title was agreed to.

S. F. No. 568: A bill for an act relating to financial institutions; permitting banks to make adjustable-rate mortgage loans; proposing new law coded in Minnesota Statutes, Chapter 48.

Was read the third time 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:

Ashbach	Davies	Langseth	Peterson, D.L.	Setzepfandt
Bang	Engler	Lantry	Peterson, R.W.	Spear
Belanger	Frederick	Lindgren	Petty	Stern
Benson	Frederickson	Merriam	Pillsbury	Taylor
Berg	Hanson	Moe, R. D.	Purfeerst	Tennessee
Bernhagen	Humphrey	Nelson	Ramstad	Ulland
Bertram	Keefe	Pehler	Renneke	Wegener
Brataas	Knutson	Penny	Rued	
Dahl	Kronebusch	Peterson, C.C.	Schmitz	

Those who voted in the negative were:

Berglin	Dieterich	Kroening	Moe, D. M.	Stumpf
Chmielewski	Frank	Lessard	Olhoft	Vega
Davis	Hughes	Luther	Sikorski	Waldorf
Dicklich	Johnson	Menning	Stokowski	Willet

So the bill passed and its title was agreed to.

H. F. No. 487: A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Solon
Bang	Dieterich	Langseth	Peterson, C.C.	Spear
Belanger	Engler	Lantry	Peterson, D.L.	Stern
Benson	Frank	Lessard	Peterson, R.W.	Stokowski
Berg	Frederick	Lindgren	Petty	Stumpf
Berglin	Frederickson	Luther	Pillsbury	Taylor
Bernhagen	Hanson	Menning	Purfeerst	Tennessee
Bertram	Hughes	Merriam	Ramstad	Ulland
Brataas	Humphrey	Moe, D. M.	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Knoll	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 131: A bill for an act relating to crimes; authorizing the release of account information to law enforcement authorities investigating the issuance of worthless checks; authorizing the issuance of account information to payee or holders when a check has been dishonored; providing notification of the

release of information; restricting further disclosure of information released; amending Minnesota Statutes 1980, Section 609.535, 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 60 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kronebusch	Pehler	Setzepfandt
Bang	Frank	Langseth	Penny	Sikorski
Belanger	Frederick	Lantry	Peterson, C. C.	Solon
Benson	Frederickson	Lessard	Peterson, D. L.	Stern
Berg	Hanson	Lindgren	Peterson, R. W.	Stokowski
Bernhagen	Hughes	Luther	Petty	Stumpf
Bertram	Humphrey	Menning	Pillsbury	Taylor
Brataas	Johnson	Merriam	Purfeerst	Ulland
Chmielewski	Keefe	Moe, D. M.	Ramstad	Vega
Dahl	Knoll	Moe, R. D.	Renneke	Waldorf
Davies	Knutson	Nelson	Rued	Wegener
Davis	Kroening	Olhoft	Schmitz	Willet

Those who voted in the negative were:

Berglin	Dicklich	Dieterich	Spear	Tennessen
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So the bill passed and its title was agreed to.

S. F. No. 636: A bill for an act relating to taxation; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; amending Laws 1975, Chapter 226, Section 4, 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 55 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Keefe	Moe, R. D.	Setzepfandt
Bang	Dicklich	Knoll	Nelson	Sikorski
Belanger	Dieterich	Knutson	Olhoft	Solon
Benson	Engler	Kroening	Pehler	Spear
Berglin	Frank	Kronebusch	Penny	Stern
Bernhagen	Frederick	Langseth	Peterson, R. W.	Stokowski
Bertram	Frederickson	Lantry	Petty	Stumpf
Brataas	Hanson	Lessard	Pillsbury	Tennessen
Chmielewski	Hughes	Luther	Ramstad	Ulland
Dahl	Humphrey	Menning	Renneke	Vega
Davies	Johnson	Moe, D. M.	Schmitz	Waldorf

Those who voted in the negative were:

Berg	Merriam	Peterson, D. L.	Rued	Willet
Lindgren	Peterson, C. C.	Purfeerst	Taylor	

So the bill passed and its title was agreed to.

H. F. No. 604: A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

Was read the third time 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:

Ashbach	Dicklich	Kroening	Pehler	Sikorski
Bang	Dieterich	Kronebusch	Penny	Spear
Belanger	Engler	Langseth	Peterson, C. C.	Stern
Benson	Frank	Lantry	Peterson, D. L.	Stokowski
Berg	Frederick	Lessard	Peterson, R. W.	Stumpf
Berglin	Frederickson	Lindgren	Petty	Taylor
Bernhagen	Hanson	Luther	Pillsbury	Tennessee
Bertram	Hughes	Menning	Purfeerst	Ulland
Brataas	Humphrey	Merriam	Ramstad	Vega
Chmielewski	Johnson	Moe, D. M.	Renneke	Waldorf
Dahl	Keefe	Moe, R. D.	Rued	Wegener
Davies	Knoll	Nelson	Schmitz	Willet
Davis	Knutson	Olhoft	Setzepfandt	

So the bill passed and its title was agreed to.

S. F. No. 960: A bill for an act relating to transportation; authorizing road authorities to designate nine-ton collector routes; prescribing maximum vehicle weights on those routes; proposing new law coded in Minnesota Statutes, Chapter 169.

Was read the third time 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 27, as follows:

Those who voted in the affirmative were:

Ashbach	Frederickson	Lessard	Peterson, R. W.	Solon
Belanger	Hanson	Menning	Pillsbury	Stern
Benson	Humphrey	Moe, R. D.	Purfeerst	Taylor
Bertram	Johnson	Nelson	Renneke	Vega
Chmielewski	Knutson	Pehler	Rued	Wegener
Davis	Kronebusch	Penny	Schmitz	Willet
Dicklich	Langseth	Peterson, C. C.	Setzepfandt	
Frederick	Lantry	Peterson, D. L.	Sikorski	

Those who voted in the negative were:

Bang	Davies	Knoll	Olhoft	Tennessee
Berg	Dieterich	Kroening	Petty	Ulland
Berglin	Engler	Lindgren	Ramstad	Waldorf
Bernhagen	Frank	Luther	Spear	
Brataas	Hughes	Merriam	Stokowski	
Dahl	Keefe	Moe, D. M.	Stumpf	

So the bill passed and its title was agreed to.

S. F. No. 1187: A bill for an act relating to game and fish; increasing and making permanent a surcharge on small game licenses for wildlife land acquisition; amending Minnesota Statutes 1980, Section 97.482, Subdivision 1; repealing Laws 1961, Chapter 66, Section 1, 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 45 and nays 20, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Penny	Spear
Bang	Frank	Lantry	Peterson, R. W.	Stern
Belanger	Frederick	Lessard	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Stumpf
Brataas	Hanson	Menning	Purfeerst	Tennessee
Chmielewski	Hughes	Merriam	Renneke	Vega
Dahl	Humphrey	Moe, D. M.	Schmitz	Waldorf
Davies	Knoll	Moe, R. D.	Sikorski	Wegener
Dieterich	Kronebusch	Nelson	Solon	Willet

Those who voted in the negative were:

Benson	Davis	Knutson	Pehler	Rued
Berg	Dicklich	Kroening	Peterson, C. C.	Setzepfandt
Bernhagen	Johnson	Lindgren	Peterson, D. L.	Taylor
Bertram	Keefe	Olhoft	Ramstad	Ulland

So the bill passed and its title was agreed to.

H. F. No. 1190: A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

Was read the third time 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 4, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Stokowski
Bang	Engler	Langseth	Peterson, R. W.	Stumpf
Belanger	Frank	Lantry	Petty	Taylor
Benson	Frederick	Lessard	Pillsbury	Tennessee
Berg	Frederickson	Luther	Purfeerst	Ulland
Berglin	Hanson	Menning	Ramstad	Vega
Bernhagen	Hughes	Merriam	Renneke	Waldorf
Brataas	Humphrey	Moe, D. M.	Rued	Wegener
Chmielewski	Johnson	Moe, R. D.	Schmitz	Willet
Dahl	Keefe	Nelson	Sikorski	
Davies	Knoll	Olhoft	Solon	
Davis	Knutson	Pehler	Spear	
Dicklich	Kroening	Penny	Stern	

Messrs. Bertram; Lindgren; Peterson, D.L. and Setzepfandt voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 321: A bill for an act relating to the city of St. Paul; authorizing the issuance of a license for the sale of intoxicating liquor at Town Square Park.

Mr. Stumpf moved that H. F. No. 321, No. 12 on the Calendar, be stricken and placed on General Orders. The motion prevailed.

H. F. No. 774: A bill for an act relating to children; providing for reports of neglect and abuse of children; allowing courts to compel testimony under certain circumstances; amending Minnesota Statutes 1980, Sections 254A.09;

and 626.556, Subdivision 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Solon
Bang	Dieterich	Langseth	Peterson, C. C.	Spear
Belanger	Engler	Lantry	Peterson, D. L.	Stern
Benson	Frank	Lessard	Peterson, R. W.	Stokowski
Berg	Frederick	Lindgren	Petty	Stumpf
Berglin	Frederickson	Luther	Pillsbury	Taylor
Bernhagen	Hanson	Menning	Purfeerst	Tennessee
Bertram	Hughes	Merriam	Ramstad	Ulland
Brataas	Humphrey	Moe, D. M.	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knoll	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 615: A bill for an act relating to corrections; providing for the transfer of convicted offenders under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 243.

Was read the third time 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:

Ashbach	Dicklich	Kroening	Pehler	Sikorski
Bang	Dieterich	Kronebusch	Penny	Solon
Belanger	Engler	Langseth	Peterson, C. C.	Spear
Benson	Frank	Lantry	Peterson, D. L.	Stern
Berg	Frederick	Lessard	Peterson, R. W.	Stokowski
Berglin	Frederickson	Lindgren	Petty	Stumpf
Bernhagen	Hanson	Luther	Pillsbury	Taylor
Bertram	Hughes	Menning	Purfeerst	Tennessee
Brataas	Humphrey	Merriam	Ramstad	Ulland
Chmielewski	Johnson	Moe, D. M.	Renneke	Vega
Dahl	Keefe	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Schmitz	Wegener
Davis	Knutson	Olhoft	Setzepfandt	Willet

So the bill passed and its title was agreed to.

H. F. No. 25: A bill for an act relating to courts; providing for the establishment of misdemeanor violation bureaus for Hennepin county; changing the compensation of Hennepin County conciliation court referees; amending Minnesota Statutes 1980, Sections 488A.08, Subdivision 1; and 488A.13, 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 13, as follows:

Those who voted in the affirmative were:

Ashbach	Frank	Kronebusch	Penny	Stumpf
Bang	Frederick	Langseth	Peterson, R. W.	Taylor
Belanger	Frederickson	Lantry	Petty	Tennessee
Berg	Hanson	Lessard	Pillsbury	Ulland
Berglin	Hughes	Lindgren	Ramstad	Vega
Bernhagen	Humphrey	Luther	Schmitz	Waldorf
Dahl	Johnson	Menning	Sikorski	Wegener
Davies	Keefe	Moe, D. M.	Solon	
Dicklich	Knoll	Moe, R. D.	Spear	
Dieterich	Knutson	Nelson	Stern	
Engler	Kroening	Olhoft	Stokowski	

Those who voted in the negative were:

Benson	Davis	Peterson, C. C.	Renneke	Willet
Bertram	Merriam	Peterson, D. L.	Rued	
Chmielewski	Pehler	Purfeerst	Setzepfandt	

So the bill passed and its title was agreed to.

Pursuant to Rule 22, Mr. Sikorski requested to be excused from voting on S. F. No. 177. Without objection, he was excused.

S. F. No. 177: A bill for an act relating to foods; directing the establishment of labeling requirements for wild rice which is planted or cultivated; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 30.

Was read the third time 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 19, as follows:

Those who voted in the affirmative were:

Berg	Frank	Luther	Peterson, R. W.	Stumpf
Berglin	Hughes	Menning	Petty	Tennessee
Bertram	Humphrey	Merriam	Purfeerst	Ulland
Chmielewski	Johnson	Moe, D. M.	Schmitz	Vega
Dahl	Knoll	Nelson	Setzepfandt	Waldorf
Davies	Kroening	Olhoft	Solon	Wegener
Davis	Langseth	Pehler	Spear	Willet
Dicklich	Lantry	Penny	Stern	
Dieterich	Lessard	Peterson, C. C.	Stokowski	

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Lindgren	Renneke
Bang	Brataas	Keefe	Peterson, D. L.	Rued
Belanger	Engler	Knutson	Pillsbury	Taylor
Benson	Frederick	Kronebusch	Ramstad	

So the bill passed and its title was agreed to.

H. F. No. 936: A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for intermediate auction sales and changing certain other provisions relating to the sale and removal of state timber; permitting extension of certain timber permits; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.041, by adding a subdivision; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.161, Subdivision 1; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

Was read the third time 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	Dicklich	Kronebusch	Peterson, C. C.	Spear
Bang	Dieterich	Langseth	Peterson, D. L.	Stokowski
Belanger	Engler	Lantry	Peterson, R. W.	Stumpf
Benson	Frank	Lessard	Petty	Taylor
Berg	Frederick	Lindgren	Pillsbury	Tennessee
Berglin	Frederickson	Luther	Purfeerst	Ulland
Bernhagen	Hanson	Menning	Ramstad	Vega
Bertram	Hughes	Merriam	Renneke	Wegener
Brataas	Humphrey	Moe, D. M.	Rued	Willet
Chmielewski	Johnson	Nelson	Schmitz	
Dahl	Keefe	Olhoft	Setzepfandt	
Davies	Knoll	Pehler	Sikorski	
Davis	Knutson	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 619: A bill for an act relating to intoxicating liquor; correcting the wording of the ballot question for a municipal liquor store referendum; amending Minnesota Statutes 1980, Section 340.353, 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 57 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Petty	Stokowski
Belanger	Dieterich	Langseth	Pillsbury	Stumpf
Benson	Engler	Lantry	Purfeerst	Taylor
Berg	Frank	Lessard	Ramstad	Tennessee
Berglin	Frederick	Lindgren	Renneke	Ulland
Bernhagen	Frederickson	Luther	Rued	Vega
Bertram	Hanson	Menning	Schmitz	Waldorf
Brataas	Johnson	Moe, D. M.	Setzepfandt	Wegener
Chmielewski	Keefe	Nelson	Sikorski	Willet
Dahl	Knoll	Pehler	Solon	
Davies	Knutson	Penny	Spear	
Davis	Kroening	Peterson, R. W.	Stern	

Messrs. Merriam, Olhoft and Peterson, C. C. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 728: A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

Was read the third time 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 14, as follows:

Those who voted in the affirmative were:

Ashbach	Berglin	Davies	Frank	Knoll
Bang	Bernhagen	Davis	Frederick	Knutson
Belanger	Bertram	Dicklich	Hanson	Kroening
Benson	Chmielewski	Dieterich	Humphrey	Kronebusch
Berg	Dahl	Engler	Johnson	Langseth

Lantry	Nelson	Ramstad	Spear	Wegener
Lessard	Olhoft	Rued	Stern	Willet
Luther	Pehler	Schmitz	Stokowski	
Menning	Peterson, R. W.	Setzepfandt	Taylor	
Merriam	Pillsbury	Sikorski	Vega	
Moe, R. D.	Purfeerst	Solon	Waldorf	

Those who voted in the negative were:

Brataas	Keefe	Penny	Petty	Tennessee
Frederickson	Lindgren	Peterson, C. C.	Renneke	Ulland
Hughes	Moe, D. M.	Peterson, D. L.	Stumpf	

So the bill passed and its title was agreed to.

S. F. No. 446: A bill for an act relating to the legislature; changing the membership and manner of appointment of certain committees and commissions with legislative members; amending Minnesota Statutes 1980, Sections 3.30, Subdivision 2; 3.855, Subdivision 1; 15.50, Subdivision 1; 16.872, Subdivision 3; and 121.938, 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 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Spear
Bang	Dieterich	Langseth	Peterson, D. L.	Stern
Belanger	Engler	Lantry	Peterson, R. W.	Stokowski
Benson	Frank	Lessard	Petty	Stumpf
Berg	Frederick	Lindgren	Pillsbury	Taylor
Berglin	Frederickson	Luther	Purfeerst	Tennessee
Bernhagen	Hanson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Renneke	Vega
Brataas	Humphrey	Moe, D. M.	Rued	Waldorf
Chmielewski	Johnson	Moe, R. D.	Schmitz	Wegener
Dahl	Keefe	Nelson	Setzepfandt	
Davies	Knoll	Olhoft	Sikorski	
Davis	Knutson	Pehler	Solon	

Messrs. Kroening; Peterson, C. C. and Willet voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 22, Mr. Stern requested that he be excused from voting on S. F. No. 1040. Without objection, he was excused.

S. F. No. 1040: A bill for an act relating to the environment; clarifying terms and duties in the waste management act; extending time limits for site selections and reports; clarifying and changing waste management powers of metropolitan counties; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivisions 4 and 5, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c and 2e, and by adding a subdivision; 473.153,

Subdivisions 1, 2 and 6; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, and 8, and by adding subdivisions; 473.831, Subdivision 1; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 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 55 and nays 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kroening	Pehler	Solon
Bang	Engler	Langseth	Penny	Spear
Belanger	Frank	Lantry	Peterson, C. C.	Stokowski
Berg	Frederick	Lessard	Peterson, R. W.	Stumpf
Berglin	Frederickson	Lindgren	Petty	Taylor
Bernhagen	Hanson	Luther	Pillsbury	Tennesen
Brataas	Hughes	Menning	Purfeerst	Ulland
Chmielewski	Humphrey	Merriam	Ramstad	Vega
Dahl	Johnson	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Sikorski	Willet

Those who voted in the negative were:

Benson	Keefe	Peterson, D. L.	Renneke	Schmitz
Bertram	Kronebusch			

So the bill passed and its title was agreed to.

S. F. No. 440: A bill for an act establishing the North Koochiching county waste water treatment board; prescribing its duties and powers; providing for the treatment and disposal of waste water in described areas.

Was read the third time 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:

Ashbach	Dicklich	Kroening	Penny	Solon
Bang	Dieterich	Kronebusch	Peterson, C. C.	Spear
Belanger	Engler	Langseth	Peterson, D. L.	Stern
Benson	Frank	Lantry	Peterson, R. W.	Stokowski
Berg	Frederick	Lessard	Petty	Stumpf
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hanson	Luther	Purfeerst	Tennesen
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Willet
Davies	Knoll	Olhoft	Setzepfandt	
Davis	Knutson	Pehler	Sikorski	

So the bill passed and its title was agreed to.

RECESS

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

S. F. No. 660: Messrs. Schmitz, Renneke and Petty.

Mr. Moe, R.D. moved that the foregoing appointments be approved. 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 has adopted the recommendation and report of the Conference Committee on House File No. 582, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 582: A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

House File No. 582 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 582

A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

May 6, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 582, 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. 582 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 84.90, Subdivision 4, is amended to read:

Subd. 4. It is unlawful for a person to post, mutilate, or remove any notice or sign provided in this section upon any lands or waters over which he has no right, title, interest, or license. It is unlawful for a person other than a duly constituted legal authority to so post any public lands, including but not limited to tax forfeited lands, as above described. *It is unlawful for a person to mutilate, destroy, damage, or remove any shelter, comfort station or other trail facility on any trail established on state owned land or on any recreational trail which is funded in whole or in part by state grant-in-aid funds.*

Sec. 2. [85.018] [TRAIL USE; VEHICLES REGULATED.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "trail" means a recreational trail, which is funded in whole or in part by state grant-in-aids to a local unit of government.

Subd. 2. [AUTHORITY OF LOCAL GOVERNMENT.] A local government unit that receives state grant-in-aids for any trail may:

(a) Designate the trail for use by snowmobiles or for nonmotorized use from December 1 to April 1 of any year; and

(b) Issue any permit required under subdivisions 3 to 5.

Subd. 3. [MOTORIZED USE; PERMITS.] Motorized use of trails shall be allowed only by permit between April 2 and November 30 of any year. Permits shall require that permit holders return the trail and any associated facility to their original condition if any damage is done by the permittee. Limited permits for special events such as races may be issued and shall require the removal of any trail markers, banners and other material used in connection with the special event.

Subd. 4. [NONMOTORIZED TRAILS; WINTER.] From December 1 to April 1 of any year no motorized vehicle shall be operated on a trail designated for nonmotorized use such as ski touring or snowshoe use.

Subd. 5. [SNOWMOBILE TRAILS.] From December 1 to April 1 in any year no use of a motorized vehicle other than a snowmobile, unless authorized by permit, lease or easement, shall be permitted on a trail designated for use by snowmobiles.

Subd. 6. [EXCEPTIONS.] The following motor vehicles are exempt from the provisions of subdivisions 3 to 5:

(a) military, fire, emergency or law enforcement vehicles used for official or emergency purposes;

(b) vehicles registered to the county, state or federal government;

(c) vehicles authorized by permit, lease or contract;

(d) vehicles owned by private citizens engaged in the upkeep and maintenance of the trail systems under the direction of the local unit of government which manages the trail; and

(e) vehicles registered to or operated with the permission of a land owner on whose lands the trail system has been constructed, but only with respect to operation on the land of that owner.

Subd. 7. [STREETS AND HIGHWAYS.] This section does not apply to any

portion of a trail located on any street or highway as defined in section 169.01.

Subd. 8. [ENFORCEMENT.] The provisions of this section may be enforced by officers of the department of natural resources as provided in section 97.50."

Amend the title as follows:

Page 1, line 3, after the first semicolon, insert "permitting conservation officers to enforce prohibitions of vandalism of shelters and facilities on state and local trails;"

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

House Conferees: (Signed) Joseph R. Begich, Douglas W. Carlson, Phyllis L. Kahn

Senate Conferees: (Signed) Gene Merriam, Bob Lessard, John Bernhagen

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on H. F. No. 582 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. 582: A bill for an act relating to natural resources; regulating the use of state funded trails; permitting conservation officers to enforce prohibitions of vandalism of shelters and facilities on state and local trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

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	Dicklich	Langseth	Peterson, C. C.	Spear
Bang	Dieterich	Lantry	Peterson, D. L.	Stern
Belanger	Engler	Lessard	Peterson, R. W.	Stokowski
Benson	Frank	Lindgren	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Bernhagen	Hanson	Merriam	Ramstad	Tennessee
Bertram	Hughes	Moe, D. M.	Renneke	Ulland
Brataas	Humphrey	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf
Davies	Kroening	Pehler	Setzepfandt	Wegener
Davis	Kronebusch	Penny	Sikorski	

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

Without objection, the Senate proceeded 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.

Mr. Dahl introduced—

S.F. No. 1410: A bill for an act relating to energy; providing for statewide enforcement of energy conservation standards; amending Minnesota Statutes 1980, Section 16.868.

Referred to the Committee on Energy and Housing.

Mr. Merriam introduced—

S.F. No. 1411: A bill for an act relating to real estate brokers and salespersons; providing for a transfer of license upon the termination or resignation of a salesperson; requiring the issuance of a temporary license under certain circumstances; amending Minnesota Statutes 1980, Section 82.20, Subdivision 9.

Referred to the Committee on Commerce.

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

REPORTS OF COMMITTEES

Mr. Willet from the Committee on Finance, to which was re-referred

H. F. No. 312: A bill for an act relating to agriculture; requiring the commissioner of agriculture to examine fluid milk and milk product marketing and packaging; repealing the prohibition on the sale of milk in non-returnable plastic containers; proposing new law coded in Minnesota Statutes, Chapter 32; repealing Minnesota Statutes 1980, Sections 116F.21 and 116F.22.

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

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Report adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 312 was read the second time.

SUSPENSION OF RULES

Mr. Peterson, C.C. 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. 312 and that the rules of the Senate be so far suspended as to give H. F. No. 312, now on General Orders, its third reading and place it on its final passage.

Mr. Luther requested division of the motion as follows:

First portion:

Mr. Peterson, C.C. moved that the rules of the Senate be so far suspended that H. F. No. 312, now on General Orders, be made a Special Order for immediate consideration.

Second portion:

Mr. Peterson, C.C. 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. 312 and that Rule 34 of the Senate be so far suspended as to give H. F. No. 312 its third reading and place it on its final passage.

The question was taken on the first portion of the Peterson, C.C. motion. The motion prevailed.

SPECIAL ORDER

H. F. No. 312: A bill for an act relating to agriculture; requiring the commissioner of agriculture to examine fluid milk and milk product marketing and packaging; repealing the prohibition on the sale of milk in non-returnable plastic containers; proposing new law coded in Minnesota Statutes, Chapter 32; repealing Minnesota Statutes 1980, Sections 116F.21 and 116F.22.

Mr. Luther moved to amend H.F. No. 312 as follows:

Pages 1 and 2, delete sections 1 and 2 and insert:

“Section 1. [POSTPONED EFFECTIVE DATE.]

Notwithstanding any law to the contrary, Minnesota Statutes, Sections 116F.21 and 116F.22, shall not be effective until January 1, 1983.

Sec. 2. [PENALTY WAIVED.]

No penalty shall be imposed for any violation of Minnesota Statutes, Section 116F.22, that occurred before the effective date of this act.

Sec. 3. [REPEALER.]

Laws 1977, Chapters 268, Section 3; and 455, Section 96, are repealed.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 8 and insert:

“relating to environmental protection; imposing a moratorium on enforcement of the law banning plastic milk containers; repealing Laws 1977, Chapters 268, Section 3; and 455, Section 96.”

RECESS

Mr. Moe, R.D. 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. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the Luther amendment. The motion did not prevail. So the amendment was not adopted.

The question was taken on the adoption of the second portion of the Peterson, C.C. motion.

The roll was called, and there were yeas 47 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Pillsbury	Stokowski
Bang	Frederick	Lantry	Purfeerst	Taylor
Belanger	Frederickson	Lessard	Ramstad	Tennessee
Benson	Hanson	Lindgren	Renneke	Ulland
Berg	Hughes	Menning	Rued	Vega
Bernhagen	Humphrey	Moe, R. D.	Schmitz	Wegener
Bertram	Johnson	Olhoft	Setzepfandt	Willet
Brataas	Knutson	Penny	Sieloff	
Chmielewski	Kroening	Peterson, C. C.	Solon	
Davis	Kronebusch	Peterson, D. L.	Stern	

Those who voted in the negative were:

Berglin	Dieterich	Luther	Pehler	Spear
Dahl	Frank	Merriam	Peterson, R. W.	Stumpf
Davies	Keefe	Moe, D. M.	Petty	Waldorf
Dicklich	Knoll	Nelson	Sikorski	

The motion prevailed.

H. F. No. 312 was read the third time 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 22, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kroening	Peterson, C. C.	Sieloff
Bang	Engler	Kronebusch	Peterson, D. L.	Solon
Belanger	Frederick	Langseth	Pillsbury	Stern
Benson	Frederickson	Lantry	Purfeerst	Stokowski
Berg	Hanson	Lessard	Ramstad	Taylor
Bernhagen	Hughes	Lindgren	Renneke	Vega
Bertram	Humphrey	Menning	Rued	Wegener
Brataas	Keefe	Olhoft	Schmitz	Willet
Chmielewski	Knutson	Penny	Setzepfandt	

Those who voted in the negative were:

Berglin	Frank	Moe, D. M.	Petty	Ulland
Dahl	Johnson	Moe, R. D.	Sikorski	Waldorf
Davies	Knoll	Nelson	Spear	
Dicklich	Luther	Pehler	Stumpf	
Dieterich	Merriam	Peterson, R. W.	Tennessee	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1393 a Special Order to be heard immediately.

S. F. No. 1393: A bill for an act relating to taxation; appropriating money for state payments to local units of government; providing for the financing of certain services of the department of transportation; defining and clarifying certain gross weights; increasing the motor vehicle registration tax on certain vehicles; providing for temporary farm truck licenses; increasing the tax on gasoline and special fuels; authorizing the issuance of state transportation

bonds and appropriating the proceeds for the purpose of providing money for capital improvements comprising construction and reconstruction of key bridges on the trunk highway system, segments of the interstate system and interstate highway substitution projects; limiting the amount of homestead credits; limiting local levies; imposing additional income taxes on individuals, estates, trusts, and corporations; limiting certain deductions; redefining the method for inflation proofing brackets, credits, and deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; allowing deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the permissible levy for school districts to 23 mills; providing for a one year suspension of the penalty for school district underlevy; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 124.212, by adding a subdivision; 168.011, Subdivisions 7, 10, 16, 17 and 25; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1g, 1h, 2, and 3; 168.017, Subdivisions 1 and 3; 168.10, Subdivisions 1a, 1b, 1c, and 1d; 168.12, Subdivision 2a; 174.50, Subdivision 1; 270.75; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivision 15a; 273.136, Subdivision 3; 273.138, Subdivision 5; 273.139, Subdivision 3; 275.125, Subdivision 2a; 275.50, Subdivision 2; 275.51, Subdivision 1 and by adding subdivisions; 275.55; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding subdivisions; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10, and 15; 290.10; 290.18, Subdivision 2, and by adding a subdivision; 290A.03, Subdivision 8; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 296.02, Subdivision 1; 477A.01, Subdivision 4b; 477A.03; 477A.13; proposing new law coded in Minnesota Statutes, Chapters 168, 275 and 295; repealing Minnesota Statutes 1980, Sections 168.013, Subdivisions 16 and 17; 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4, and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59 and 291.33.

Mr. Johnson moved to amend S. F. No. 1393 as follows:

Page 48, line 10, delete "*except as otherwise provided in this subdivision*"

Page 68, line 31, delete "*Subdivisions 16*" and insert "*Subdivision*"

Page 68, line 32, delete "*and*"

Page 68, line 32, delete "*are*" and insert "*is*"

Amend the title as follows:

Page 2, line 7, delete "*Subdivisions 16 and*" and insert "*Subdivision*"

The motion prevailed. So the amendment was adopted.

Mr. Purfeerst moved to amend S.F. No. 1393 as follows:

Pages 66 and 67, delete section 23

Page 68, delete sections 25 and 26

Page 68, line 34, delete "*27*" and insert "*24*"

Page 69, line 4, delete "*24*" and insert "*21*"

Page 69, line 6, delete "*Sections 23, 25 and 26*"

Page 69, delete line 7

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "authorizing the issuance of state"

Page 1, delete lines 10 to 14

Page 1, line 15, delete "interstate highway substitution projects;"

Page 1, line 37, delete "174.50,"

Page 1, line 38, delete "Subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend S. F. No. 1393 as follows:

Page 68, line 31, delete "Section" and insert "Sections"

Page 68, line 32, after "17" insert "; and 168.31, Subdivision 3"

Amend the title as follows:

Page 2, line 7, after "17" and insert "; 168.31, Subdivision 3"

The motion prevailed. So the amendment was adopted.

Mr. Johnson moved that S. F. No. 1393 be laid on the table. The motion prevailed.

RECESS

Mr. Moe, R. D. 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. Moe, R. D. 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 House File, herewith transmitted: H. F. No. 1445.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1981

FIRST READING OF HOUSE BILLS

H. F. No. 1445: A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain

payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivisions 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

CALL OF THE SENATE

Mr. Sieloff imposed a call of the Senate for the proceedings on H. F. No. 1445. The Sergeant at Arms was instructed to bring in the absent members.

SUSPENSION OF RULES

Mr. Johnson 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. 1445 and that the rules of the Senate be so far suspended as to give H. F. No. 1445 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1445 was read the second time.

Mr. Johnson moved to amend H. F. No. 1445 as follows:

Delete everything after the enacting clause, and delete the title, of H. F. No. 1445, and insert the language after the enacting clause, and the title, of S. F. No. 1393, the First Engrossment, as amended by the Senate May 8, 1981. The motion prevailed. So the amendment was adopted.

H. F. No. 1445 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 23, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Menning	Peterson, R. W.	Stokowski
Bertram	Humphrey	Merriam	Petty	Stumpf
Chmielewski	Johnson	Moe, D. M.	Purfeerst	Tennessen
Dahl	Knoll	Moe, R. D.	Schmitz	Vega
Davies	Kroening	Nelson	Setzepfandt	Waldorf
Davis	Langseth	Olhoft	Sikorski	Wegener
Dicklich	Lantry	Pehler	Solon	Willet
Frank	Lessard	Penny	Spear	
Hanson	Luther	Peterson, C. C.	Stern	

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Peterson, D. L.	Sieloff
Bang	Brataas	Keefe	Pillsbury	Taylor
Belanger	Dicterich	Knutson	Ramstad	Ulland
Benson	Engler	Kronebusch	Renneke	
Berg	Frederick	Lindgren	Rued	

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

APPOINTMENTS

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

S. F. No. 690: Messrs. Peterson, C. C.; Spear and Frederickson.

S. F. No. 694: Messrs. Stern, Knutson and Menning.

S. F. No. 939: Ms. Berglin; Messrs. Moe, D. M. and Peterson, R. W.

Mr. Moe, R. D. moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Tennessen moved that H. F. No. 1376 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Adminis-

tration. The motion prevailed.

Without objection, the Senate proceeded 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.

Ms. Berglin, Messrs. Knoll, Petty, Vega and Pehler introduced—

S. F. No. 1412: A bill for an act relating to taxation; providing for a freeze on property taxes paid on homesteads owned by elderly persons; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon, Chmielewski and Ulland introduced—

S. F. No. 1413: A bill for an act relating to taxation; providing a property tax credit to certain veterans awarded the congressional medal of honor; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Veterans' Affairs.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, May 11, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-FIRST DAY

St. Paul, Minnesota, Monday, May 11, 1981

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Roger Carroll.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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. Dieterich was excused from the Session of today from 11:45 a.m. to 1:00 p.m. Mr. Stern was excused from the Session of today from 12:30 to 2:00 p.m. Mr. Peterson, D. L. was excused from the Session of today from 11:00 a.m. to 3:00 p.m..

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 7, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, Senate File No. 1047.

Sincerely yours,

Albert H. Quie, Governor

May 7, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
1047		107	May 7	May 7
	13	108	May 7	May 7
	90	109	May 7	May 7
	150	110	May 7	May 7
	222	111	May 7	May 7
	272	112	May 7	May 7
	467	113	May 7	May 7
	574	114	May 7	May 7
	937	115	May 7	May 7
	972	116	May 7	May 7

Sincerely,

Joan Anderson Growe
Secretary of State

May 8, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 149, 168, 562, 671 and 825.

Sincerely yours,

Albert H. Quie, Governor

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. 477, 493, 1474, 1475 and 900.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 477: A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; increasing the bonding authority of the higher education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for certification of status of tuition subsidy recipients; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions 3 and 4; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 3, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 301, now on General Orders.

H. F. No. 493: A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; 429.021, Subdivision 1; and 474.02, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 16, 116H, 216B, 465, and 475.

Referred to the Committee on Finance.

H. F. No. 1474: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

Laid on the table.

H. F. No. 1475: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

Laid on the table.

H. F. No. 900: A bill for an act relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses, wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money; amending Minnesota Statutes 1980, Section 4.36, Subdivision 2; repealing Laws 1979, Chapter 301, Section 6, Subdivision 1.

Referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1022 and 1163 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1163	746			1022	855

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. Moe, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 284, 184, 986, 1048 and 1051 for comparison with 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.
184	76			284	287
986	953				
1048	1252				
1051	1317				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 284 be amended as follows:

Page 1, line 19, delete "*Minnesota Statutes*,"

Page 1, line 21, delete "*an unemancipated minor*" and insert "*a minor woman who is unmarried and is living with her parent*"

Page 1, line 26, delete "(a)" and insert "*If the pregnant woman is unmarried and is living with her parent.*"

Page 2, line 1, before "*delivered*" insert "*shall be*"

Page 2, line 3, delete "(b)" and before "*delivery*" insert "*personal*" and delete "*clause (a)*" and insert "*this subdivision*"

Page 2, line 6, delete "*which means*" and insert "*so that the*"

Page 2, line 7, delete "*can*" and insert "*shall*" and delete "*Time of*"

Page 2, delete lines 8 to 10

Page 2, after line 10, insert

"*After mailing, time of delivery shall be deemed to occur at 12 o'clock noon*"

on the next day on which regular mail delivery takes place."

Page 2, line 11, delete ", ABORTION; DEFINITIONS" and insert "; DEFINITION"

Page 2, line 16, after "conservator" insert a comma

Page 2, line 20, after "fetus" insert a comma

Page 2, line 27, delete "to provide" and insert "for providing"

Page 3, line 1, delete "shall be" and insert "is"

Page 3, lines 1 and 2, delete "shall be grounds" and insert "is ground"

Page 3, lines 3 and 4, delete "under this section" and insert "for failure to deliver required notice"

Page 3, line 4, delete "by"

Page 3, line 5, after "relied" insert "in good faith"

Page 3, line 9, delete the comma

Page 3, line 11, delete "ever"

Page 3, line 13, before "subdivision" insert "this"

Page 3, line 13, delete "2" and delete "as though the following" and insert a period after "enforced"

Page 3, delete line 14

Page 3, line 15, delete "subdivision; provided, however, that" and delete "such temporary or" and insert "the"

Page 3, line 16, delete "permanent"

Page 3, line 16, delete "ever"

Page 3, line 18, delete everything after "shall" and insert "be enforced and this subdivision shall not be enforced."

Page 3, delete lines 19 to 21 and insert

"Notwithstanding the provisions of section 15.162, subdivision 4, no abortion operation shall be performed upon a minor woman who is unmarried and living with her parent or upon a woman for whom a guardian or conservator has been appointed pursuant to sections 525.54 to 525.551 because of a finding of incompetency, until at least 48 hours after written notice of the pending operation has been delivered or judicial authorization obtained in the manner specified in this subdivision.

If the pregnant woman is unmarried and is living with her parent, the notice shall either be delivered personally to her parent or be delivered to the parents' usual places of abode and left with a person of suitable age and discretion residing therein other than the pregnant woman.

In lieu of the personal delivery required by this subdivision notice may be made by certified mail receipted for by the persons specified for delivery. After mailing, time of delivery shall be deemed to occur at 12 o'clock noon on the next day on which regular mail delivery takes place."

Page 3, line 22, delete "(c)" and delete "such a" and insert "the"

Page 3, line 24, delete "any" and insert "a"

Page 3, line 25, delete the comma after "petition"

Page 3, line 26, delete "said" and insert "the"

Page 3, line 28, delete "said" and insert "the"

Page 3, line 31, delete "the"

Page 3, line 32, delete "parents" and insert "parent"

Page 3, line 33, delete "and" and insert ". The judge"

Page 3, line 34, delete "such" and delete "said" and insert "the"

Page 3, line 36, delete "thereby" and insert "by the authorization"

Page 4, line 1, delete "Such a" and insert "The"

Page 4, line 7, delete "such"

Page 4, line 11, delete "in writing" and insert "written,"

Page 4, line 13, delete "including" and insert "that includes"

Page 4, line 14, delete "own"

Page 4, line 16, delete "such"

Page 4, line 18, delete "shall not be" and insert "is not"

Page 4, line 19, after "required" insert "under this section" and delete "such"

Page 4, line 21, delete "such" and insert "bringing"

Page 4, line 23, delete "of the same" and delete "afforded such" and insert "available to"

Page 4, delete lines 25 to 32

And when so amended H. F. No. 284 will be identical to S.F. No. 287, and further recommends that H. F. No. 284 be given its second reading and substituted for S. F. No. 287, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 184 be amended as follows:

Page 1, line 13, delete "OR" and strike "SIGNAL DISTRIBUTION"

Page 1, line 23, delete "or cable television"

Page 1, line 26, delete "and programs"

Page 1, line 27, reinstate the stricken "This" and delete "The"

Page 2, line 13, before the period insert "and may issue revenue obligations without limitation for acquisition or betterment of all or part of a system or interest therein"

Amend the title as follows:

Page 1, line 3, delete "or signal distribution"

And when so amended H. F. No. 184 will be identical to S.F. No. 76, and

further recommends that H. F. No. 184 be given its second reading and substituted for S. F. No. 76, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 986 be amended as follows:

Amend the title as follows:

Page 1, line 23, delete “, Subdivisions 1 and 2”

And when so amended H. F. No. 986 will be identical to S. F. No. 953, and further recommends that H. F. No. 986 be given its second reading and substituted for S. F. No. 953, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1048 be amended as follows:

Page 2, line 8, strike “(1)” and insert “(a)”

Page 2, line 9, strike “(a)” and insert “(1)”

Page 2, line 11, strike “(b)” and insert “(2)”

Page 2, line 12, strike “(c)” and insert “(3)”

Page 2, line 13, strike “(d)” and insert “(4)”

Page 2, line 14, strike “(2)” and insert “(b)”

Page 2, line 16, strike “(a)” and insert “(1)”

Page 2, line 18, strike “(b)” and insert “(2)”

Page 2, line 19, strike “(c)” and insert “(3)”

Page 2, line 21, strike “(d)” and insert “(4)”

Page 2, line 22, strike “(e)” and insert “(5)”

Page 2, line 24, strike “(3)” and insert “(c)”

Page 2, line 25, strike “(a)” and insert “(1)”

Page 2, line 28, strike “(b)” and insert “(2)”

Page 2, line 30, strike “(c)” and insert “(3)”

Page 2, line 32, strike “(d)” and insert “(4)”

Page 3, line 3, strike “(e)” and insert “(5)”

Page 3, line 11, strike “(f)” and insert “(6)”

Page 3, line 14, strike “(g)” and insert “(7)”

Page 3, line 16, strike “(h)” and insert “(8)”

Page 3, line 21, strike “(i)” and insert “(9)”

Page 3, line 30, delete “(1)” and insert “(a)”

Page 4, line 7, delete “(a)” and insert “(1)”

Page 4, line 8, delete “(b)” and insert “(2)”

Page 5, line 5, delete “(2)” and insert “(b)”

Page 5, line 17, delete "(3)" and insert "(c)", delete "(a)" and insert "(1)".

Page 5, line 18, delete "August" and insert "June"

Page 5, line 21, delete "August" and insert "June"

Page 5, line 22, delete "(b)" and insert "(2)"

Page 5, line 24, delete "August" and insert "June"

Page 5, line 27, delete "August" and insert "June"

Page 5, line 30, delete "(1)" and insert "(a)"

Page 5, line 35, after "1," insert "paragraph (c).", after "clause" delete "(3)(h)" and insert "(8)"

Page 6, line 7, after "1," insert "paragraph (c)."

Page 6, line 8, delete "(3)(i)" and insert "(9)"

Page 6, line 17, delete "(2)" and insert "(b)"

Page 6, line 20, delete "(a)" and insert "(1)"

Page 6, line 36, delete "(b)" and insert "(2)"

Page 7, line 5, delete "(c)" and insert "(3)"

Page 7, line 11, delete "(d)" and insert "(4)"

Page 7, line 17, after "made." insert "After January 1, 1982, the program of studies or study course shall have been approved by the commissioner in order to qualify under this clause."

Page 7, line 27, delete "(e)" and insert "(5)"

Page 7, line 33, delete "(f)" and insert "(6)"

Page 7, line 36, delete "(g)" and insert "(7)"

Page 8, line 7, delete "(3)" and insert "(c)"

Page 8, line 10, delete "(a)" and insert "(1)"

Page 8, line 15, delete "(b)" and insert "(2)"

Page 8, line 30, after "1," insert "paragraph (c).", after "clause" delete "(3)(d)" and insert "(4)"

Page 8, line 34, delete "(c)" and insert "(3)"

Page 9, line 2, delete "(4)" and insert "(d)", delete "(a)" and insert "(1)"

Page 9, line 10, delete "(b)" and insert "(2)"

Page 9, line 13, delete "(c)" and insert "(3)"

Page 9, line 18, delete "(5)" and insert "(e)"

Page 9, line 26, after "in" insert "paragraph (c).", and after "(3)" delete "(c)"

Page 9, line 29, delete "(6)" and insert "(f)"

Page 10, line 3, after "1," insert "paragraph (c).", after "clause" delete

“(3)(i)” and insert “(9)”

Page 10, line 5, delete “(7)” and insert “(g)”

Page 10, line 12, after “1,” insert “*paragraph (c),*”, after “*clause*” delete “(3)(g)” and insert “(7)”

Page 10, line 16, delete “(8)” and insert “(h)”

Page 10, line 18, delete “(a)” and insert “(1)”

Page 10, line 20, delete “(b)” and insert “(2)”

Page 10, line 22, delete “(c)” and insert “(3)”

Page 10, line 27, delete “(d)” and insert “(4)”

Page 11, line 1, delete “(e)” and insert “(5)”

Page 11, line 4, delete “(f)” and insert “(6)”

Page 16, lines 11 and 12, delete “*Within ten days after the agent receives notice of revocation,*”

Page 17, line 20, delete “(1)” and insert “(a)”

Page 17, line 22, delete “(a)” and insert “(1)”

Page 17, line 23, delete “(b)” and insert “(2)”

Page 17, line 24, delete “(c)” and insert “(3)”

Page 17, line 25, delete “(d)” and insert “(4)”

Page 17, delete “(2)” and insert “(b)”

Page 19, line 1, delete “*clause*” and insert “*paragraph*”

Page 22, line 1, strike “(1)” and insert “(a)”

Page 22, line 18, strike “(2)” and insert “(b)”, strike “(a)” and insert “(1)”

Page 22, line 22, strike “(b)” and insert “(2)”

Page 22, line 30, strike “*clause (1)*” and insert “*paragraph (a)*”

Page 22, line 31, delete “(c)” and insert “(3)”

Page 23, line 1, strike “(3)” and insert “(c)”

And when so amended H. F. No. 1048 will be identical to S. F. No. 1252, and further recommends that H. F. No. 1048 be given its second reading and substituted for S. F. No. 1252, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1051 be amended as follows:

Page 5, line 15, delete everything after the period

Page 5, delete lines 16 to 18

Page 7, delete lines 8 to 11

Page 7, line 12, delete “12” and insert “11”

Amend the title as follows:

Page 1, lines 7 and 8, delete "establishing a moratorium on certain uranium drilling;"

And when so amended H. F. No. 1051 will be identical to S.F.No. 1317, and further recommends that H. F. No. 1051 be given its second reading and substituted for S. F. No. 1317, 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. 1022, 1163, 284, 184, 986, 1048 and 1051 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Merriam moved that the name of Mr. Stern be added as co-author to S. F. No. 748. The motion prevailed.

RECESS

Mr. Moe, R. D. 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. Moe, R. D. moved that the Senate take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

S. F. No. 395: A bill for an act relating to taxation; extending the period for filing gravel tax reports and sending notice of overdue returns; amending Minnesota Statutes 1980, Section 298.75, Subdivisions 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Peterson, C. C.	Stern
Bang	Dieterich	Kronebusch	Petty	Stokowski
Belanger	Engler	Langseth	Pillsbury	Stumpf
Benson	Frank	Lantry	Purfeerst	Taylor
Berg	Frederick	Lessard	Ramstad	Tennessee
Berglin	Frederickson	Lindgren	Renneke	Ulland
Bernhagen	Hanson	Luther	Rued	Vega
Bertram	Hughes	Menning	Schmitz	Waldorf
Brataas	Humphrey	Merriam	Setzepfandt	Wegener
Chmielewski	Johnson	Moe, R. D.	Sieloff	Willet
Dahl	Keefe	Nelson	Sikorski	
Davies	Knoll	Olhoft	Solon	
Davis	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

S. F. No. 28: A bill for an act relating to claims against the state; providing for payment of various claims; 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 62 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	Spear
Bang	Dieterich	Kronebusch	Peterson, C. C.	Stern
Belanger	Engler	Langseth	Petty	Stokowski
Benson	Frank	Lantry	Pillsbury	Stumpf
Berg	Frederick	Lessard	Purfeerst	Taylor
Berglin	Frederickson	Lindgren	Ramstad	Tennessee
Bernhagen	Hanson	Luther	Renneke	Ulland
Bertram	Hughes	Menning	Rued	Vega
Brataas	Humphrey	Merriam	Schmitz	Wegener
Chmielewski	Johnson	Moe, D. M.	Setzepfandt	Willet
Dahl	Keefe	Moe, R. D.	Sieloff	
Davies	Knoll	Nelson	Sikorski	
Davis	Knutson	Olhoft	Solon	

Mr. Waldorf voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Nelson moved that S. F. No. 99 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Nelson 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: A bill for an act relating to elections; changing certain procedures and requirements relating to elections; amending Minnesota Statutes 1980, Sections 208.03; 208.05; 201.061, as amended; 206.20, Subdivision 2, as amended; Laws 1981, Chapter 29, Article IV, Section 28; Article V, Sections 10, 24, and 26; Article VI, Sections 15 and 16; repealing Minnesota Statutes 1980, Section 201.18, 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Brataas	Davis	Frank
Bang	Berglin	Chmielewski	Dicklich	Frederick
Belanger	Bernhagen	Dahl	Dieterich	Frederickson
Benson	Bertram	Davies	Engler	Hanson

Hughes	Lantry	Olhoft	Schmitz	Taylor
Humphrey	Lessard	Pehler	Setzepfandt	Tennessee
Johnson	Lindgren	Penny	Sieloff	Ulland
Keefe	Luther	Peterson, C.C.	Sikorski	Vega
Knoll	Menning	Petty	Solon	Waldorf
Knutson	Merriam	Pillsbury	Spear	Wegener
Kroening	Moe, D. M.	Ramstad	Stern	Willet
Kronebusch	Moe, R. D.	Renneke	Stokowski	
Langseth	Nelson	Rued	Stumpf	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Stumpf in the chair.

After some time spent therein, the committee arose, and Mr. Stumpf reported that the committee had considered the following:

S. F. Nos. 120, 132, 315, 1152, 1205, 571 and H. F. Nos. 1301, 1044, 409, 696 and 161, which the committee recommends to pass.

S. F. No. 1135, which the committee recommends be returned to the Committee on Education.

S. F. No. 311, which the committee reports progress, after the following motion:

The question was taken on the recommendation to pass S. F. No. 311.

The roll was called, and there were yeas 23 and nays 33, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Lantry	Peterson, R. W.	Stumpf
Dahl	Johnson	Luther	Petty	Tennessee
Davies	Keefe	Merriam	Sikorski	Ulland
Dicklich	Knoll	Moe, D. M.	Spear	
Dieterich	Kroening	Pehler	Stokowski	

Those who voted in the negative were:

Belanger	Davis	Langseth	Peterson, C.C.	Sieloff
Benson	Engler	Lessard	Pillsbury	Taylor
Berg	Frank	Menning	Ramstad	Vega
Bernhagen	Frederick	Moe, R. D.	Renneke	Wegener
Bertram	Frederickson	Nelson	Rued	Willet
Brataas	Hanson	Olhoft	Schmitz	
Chmielewski	Kronebusch	Penny	Setzepfandt	

The motion did not prevail. S. F. No. 311 was then progressed.

H.F. No. 697, which the committee recommends to pass, subject to the following motions:

Mr. Sieloff moved to amend H.F. No. 697, as amended pursuant to Rule 49, adopted by the Senate April 29, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 733.)

Page 4, line 7, delete "1977" and insert "1981"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass H. F. No. 697.

The roll was called, and there were yeas 31 and nays 11, as follows:

Those who voted in the affirmative were:

Benson	Engler	Langseth	Peterson, C. C.	Taylor
Berg	Frank	Lantry	Peterson, R. W.	Waldorf
Bernhagen	Frederickson	Lessard	Renneke	Wegener
Bertram	Hanson	Luther	Schmitz	
Dahl	Johnson	Menning	Solon	
Davies	Kroening	Merriam	Stokowski	
Davis	Kronebusch	Pehler	Stumpf	

Those who voted in the negative were:

Belanger	Keefe	Petty	Spear	Ulland
Berglin	Knoll	Sieloff	Tennessee	Vega
Dieterich				

The motion prevailed. So H. F. No. 697 was recommended to pass.

H. F. No. 616, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Delete everything after the enacting clause and insert:

"Section 1. [325G.29] [CITATION.]

Sections 1 to 8 may be cited as the "Plain Language Contract Act".

Sec. 2. [325G.30] [DEFINITIONS.]

Subdivision 1. [TERMS.] As used in sections 2 to 8, the terms defined in this section have the meanings given them.

Subd. 2. [CONSUMER.] "Consumer" means any individual who, primarily for personal, family or household purposes: (1) gives consideration for an interest in any services or personal property, including money; (2) transfers or authorizes a security interest on any personal property; or (3) leases residential premises for a term not exceeding three years.

Subd. 3. [CONSUMER CONTRACT.] "Consumer contract" means any written contract with a consumer except: (1) a contract where the price, excluding interest or finance charges, is more than \$50,000; (2) a contract through which a consumer obtains money or credit to be used to purchase or refinance an interest in realty; (3) a contract in which the sale of personal property is merely incidental to the sale of an interest in realty.

Sec. 3. [325G.31] [PLAIN LANGUAGE REQUIRED.]

Except as provided in section 4, every consumer contract shall be written in a clear and coherent manner using words with common and everyday meanings and shall be appropriately divided and captioned by its various sections.

Sec. 4. [325G.32] [EXCEPTIONS.]

Subdivision 1. [OTHER STATUTES OR REGULATIONS.] Section 3 does not apply to any consumer contract for which a federal or state statute, rule or

regulation prescribes standards of readability applicable to the entire contract. Section 3 does not apply to particular words, phrases, provisions or forms of agreement specifically required, recommended or endorsed by a state or federal statute, rule or regulation.

Subd. 2. [CUSTOMARILY USED TECHNICAL TERMS.] A consumer contract may include technical terms to describe the services or property which are the subject of the contract, if the terms are customarily used by consumers in connection with the services or property.

Sec. 5. [325G.33] [REMEDIES.]

Subdivision 1. [ENFORCEMENT AUTHORITY.] Any violation of section 3 is a violation of a law under section 8.31, subdivision 1. The remedies provided in section 8.31, subdivisions 3 and 3a, are limited as provided in section 6.

Subd. 2. [REFORMATION.] In addition to the remedies provided in section 8.31, a court reviewing a consumer contract may reform or limit a provision so as to avoid an unfair result if it finds that:

(1) a material provision of the contract violates section 3;

(2) the violation caused the consumer to be substantially confused about any of the rights, obligations or remedies of the contract; and

(3) the violation has caused or is likely to cause financial detriment to the consumer.

If the court reforms or limits a provision of a consumer contract, the court shall also make orders necessary to avoid unjust enrichment. Bringing a claim for relief pursuant to this subdivision does not entitle a consumer to withhold performance of an otherwise valid contractual obligation. No relief shall be granted pursuant to this subdivision unless the claim is brought before the obligations of the contract have been fully performed.

Sec. 6. [325G.34] [LIMITS ON REMEDIES.]

Subdivision 1. [PENALTIES.] In any proceeding in which civil penalties are claimed from a party for a violation of section 3, it is a defense to the claim that the party made a good faith and reasonable effort to comply with section 3.

Subd. 2. [ATTORNEY'S FEES.] A party who has made a good faith and reasonable effort to comply with section 3 shall not be assessed attorney's fees or costs of investigation in an action for violating section 3.

Subd. 3. [CLASS ACTION ATTORNEY'S FEES.] In any class action or series of class actions which arise from the use by a person of a particular consumer contract found to violate section 3, the amount of attorney's fees and costs of investigation assessed against that person and in favor of the consumer class or classes may not exceed \$10,000.

Subd. 4. [LIMITS ON CONSUMER ACTIONS.] Violation of section 3 is not a defense to a claim arising from a consumer's breach of a consumer contract or to an action for unlawful detainer. A consumer may recover actual damages caused by a violation of section 3 only if the violation caused the consumer to be substantially confused about the rights, obligations or remedies of the contract.

Subd. 5. [STATUTE OF LIMITATIONS.] Any claim that a consumer contract violates section 3 must be raised within six years of the date the contract is executed by the consumer.

Sec. 7. [325G.35] [REVIEW BY THE ATTORNEY GENERAL.]

Subdivision 1. [PROCESS OF REVIEW.] Any seller, creditor or lessor may submit a consumer contract to the attorney general for review as to whether the contract complies with the requirements of section 3. After reviewing the contract the attorney general shall: (1) certify that the contract complies with section 3; (2) decline to certify that the contract complies with section 3 and note his objections to the contractual language; (3) decline to review the contract and refer the party submitting the contract to other previously certified contracts of the same type; (4) decline to review the contract because the contract's compliance with section 3 is the subject of pending litigation; or (5) decline to review the contract because the contract is not subject to section 3.

Subd. 2. [PROCESS NOT REVIEWABLE.] Actions of the attorney general pursuant to subdivision 1 are not subject to Minnesota Statutes, Chapter 15, and are not appealable.

Subd. 3. [LIMITED-EFFECT OF CERTIFICATION.] Any consumer contract certified pursuant to subdivision 1 is deemed to comply with section 3. Certification of a consumer contract pursuant to subdivision 1 is not otherwise an approval of the contract's legality or legal effect.

Subd. 4. [REVIEW NOT REQUIRED.] Failure to submit a contract to the attorney general for review pursuant to subdivision 1 does not show a lack of good faith nor does it raise a presumption that the contract violates section 3. If pursuant to subdivision 1 the attorney general refers a party to a previously certified contract, that the party chooses not to use the contract does not show a lack of good faith nor does it raise a presumption that a contract used by that party violated section 3.

Subd. 5. [FEE FOR REVIEW.] The attorney general may charge a fee, not to exceed \$50, for the costs of reviewing a consumer contract pursuant to subdivision 1.

Sec. 8. [325G.36] [WAIVERS VOID.]

Any provision of a consumer contract which waives or attempts to waive any provision of sections 1 to 8 is void.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 6 and 8 take effect on July 1, 1983. Section 7 takes effect the day following final enactment. Sections 1 to 8 do not affect any consumer contract executed before July 1, 1983. A previously existing consumer contract renewed after July 1, 1983, is subject to sections 1 to 8. No provision for renewal of a consumer contract is invalid merely because compliance with sections 1 to 8 changes the form of the renewal agreement. For the purposes of this section periodic tenancies renew at the commencement of each rental period."

The motion prevailed. So the amendment was adopted.

H. F. No. 353, which the committee recommends to pass subject to the following motions:

Mr. Luther moved to amend H. F. No. 353, the unofficial engrossment, as follows:

Page 2, line 14, delete "or"

Page 2, line 16, before the period, insert "; or (e) to any legal action brought by an owner or shareholder of a family farm"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 23, as follows:

Those who voted in the affirmative were:

Belanger	Frank	Lantry	Moe, D. M.	Stumpf
Berglin	Johnson	Lindgren	Peterson, R. W.	Ulland
Dahl	Keefe	Luther	Petty	Vega
Davies	Kroening	Merriam	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Lessard	Renneke	Stern
Benson	Davis	Menning	Rued	Taylor
Berg	Frederickson	Olhoft	Schmitz	Wegener
Bernhagen	Knutson	Penny	Setzepfandt	
Bertram	Kronebusch	Ramstad	Solon	

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

Mr. Luther then moved to amend H.F. No. 353, the unofficial engrossment, as follows:

Page 2, line 27, delete "does"

Page 2, line 28, delete "not apply" and insert "applies only"

Page 2, line 29, delete "disapproving" and insert "approving"

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H.F. No. 353, the unofficial engrossment, as follows:

Page 1, line 16, before the semicolon, insert "*or an animal feedlot facility with an enclosed, slatted floor and pit having a depth of five feet or more and with a swine capacity of 600 or more animal units as defined in the rules of the pollution control agency for control of pollution from animal feedlots, or a cattle capacity of 2,500 animals or more*"

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H.F. No. 353, the unofficial engrossment, as follows:

Page 1, line 25, after "persons" insert "*or spouses of persons related to each other within the third degree of kindred according to the rules of the civil law at least one of whom is*"

Page 1, line 25, delete "on the farm"

Page 1, line 26, after "farming" insert "on the farm"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass H. F. No. 353.

The roll was called, and there were yeas 32 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Moe, R. D.	Purfeerst	Ulland
Benson	Frederickson	Nelson	Renneke	Vega
Berg	Johnson	Olhoft	Rued	Wegener
Bernhagen	Kronebusch	Pehler	Schmitz	Willet
Bertram	Langseth	Penny	Setzepfandt	
Chmielewski	Lessard	Peterson, D.L.	Solon	
Davis	Menning	Pillsbury	Taylor	

Those who voted in the negative were:

Belanger	Frederick	Lindgren	Ramstad	Tennesen
Berglin	Hughes	Luther	Sikorski	Waldorf
Brataas	Keefe	Merriam	Spear	
Dahl	Knoll	Moe, D. M.	Stern	
Davies	Knutson	Peterson, R.W.	Stokowski	
Frank	Lantry	Petty	Stumpf	

The motion prevailed. So H. F. No. 353 was recommended to pass.

H. F. No. 1125, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Page 1, before line 12, insert:

“ARTICLE I

SMALL BUSINESS FINANCE AGENCY”

Page 7, line 12, delete “act” and insert “article”

Page 7, after line 12, insert:

“ARTICLE II

BUSINESS LICENSING POLICY

Section 1. Minnesota Statutes 1980, Section 3.965, is amended by adding a subdivision to read:

Subd. 5. [BUSINESS LICENSING RULES.] The commission may conduct the public meetings for review of rules related to business licenses as required by section 4 of this article.

Sec. 2. [362.450] [UNIFORM BUSINESS LICENSING POLICY.]

Subdivision 1. [FINDING.] The legislature finds that a uniform policy on business licenses is necessary to maintain an adequate level of protection of the public welfare while preventing business licensing from becoming overly burdensome for the citizens and businesses of Minnesota.

Subd. 2. [POLICY.] It is the policy of the state of Minnesota that to the extent practicable, when required, a business license:

(a) Should be necessary to protect the safety, health or welfare of the citizens of the state or to ensure fair competition, competency in business, responsible financial practices, or other ethical business conduct;

(b) Should not duplicate or significantly overlap any other business license;

(c) Should be issued and renewed for the longest period possible consistent

with the need to review eligibility and compliance with the terms and conditions of the license;

(d) Should contain a termination or renewal date determined by the agency to be as convenient as possible for the license holder consistent with clause (c). When an agency issues more than one license to the same business these licenses should have the same calendar renewal date; and

(e) Should involve payment of a fee in an amount no greater than specified by statute. If a fee is authorized by statute and set by rule, the fee shall be no greater than necessary to recover the administrative cost of issuing or renewing the license or enforcing its terms and conditions. The fees and conditions may be different for different classes of businesses and for initial issuance and subsequent renewals.

Sec. 3. [362.451] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] For the purposes of sections 2 to 5 of this article, the terms defined in this section have the meanings given them.

Subd. 2. [BUSINESS LICENSE.] "Business license" or "license" means any permit, registration, certification, or other form of approval authorized by statute or rule to be issued by any agency or instrumentality of the state of Minnesota as a condition of doing business in Minnesota. The term also includes, when applicable, the substantive and procedural criteria governing the qualifications for, and issuance and maintenance of, a business license.

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

(a) Abstracters regulated pursuant to chapter 386;

(b) Accountants regulated pursuant to chapter 326;

(c) Adjusters regulated pursuant to chapter 72B;

(d) Architects regulated pursuant to chapter 326;

(e) Assessors regulated pursuant to chapter 270;

(f) Attorneys regulated pursuant to chapter 481;

(g) Auctioneers regulated pursuant to chapter 330;

(h) Barbers regulated pursuant to chapter 154;

(i) Beauticians regulated pursuant to chapter 155;

(j) Boiler operators regulated pursuant to chapter 183;

(k) Chiropractors regulated pursuant to chapter 148;

(l) Cosmetologists regulated pursuant to chapter 155;

- (m) Dentists and dental hygienists regulated pursuant to chapter 150A;
- (n) Detectives regulated pursuant to chapter 326;
- (o) Electricians regulated pursuant to chapter 326;
- (p) Embalmers regulated pursuant to chapter 149;
- (q) Engineers regulated pursuant to chapter 326;
- (r) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (s) Midwives regulated pursuant to chapter 148;
- (t) Morticians regulated pursuant to chapter 149;
- (u) Nursing home administrators regulated pursuant to chapter 144A;
- (v) Optometrists regulated pursuant to chapter 148;
- (w) Osteopathic physicians regulated pursuant to chapter 147;
- (x) Pharmacists regulated pursuant to chapter 151;
- (y) Physical therapists regulated pursuant to chapter 148;
- (z) Physicians and surgeons regulated pursuant to chapter 147;
- (aa) Plumbers regulated pursuant to chapter 326;
- (bb) Podiatrists regulated pursuant to chapter 153;
- (cc) Practical nurses regulated pursuant to chapter 148;
- (dd) Psychologists regulated pursuant to chapter 148;
- (ee) Real estate brokers and salespersons regulated pursuant to chapter 82;
- (ff) Registered nurses regulated pursuant to chapter 148;
- (gg) Securities brokers, dealers and agents regulated pursuant to chapter 80A;
- (hh) Steamfitters regulated pursuant to chapter 326;
- (ii) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (jj) Veterinarians regulated pursuant to chapter 156;
- (kk) Watchmakers regulated pursuant to chapter 326;
- (ll) Water conditioning contractors and installers regulated pursuant to chapter 326;
- (mm) Water well contractors regulated pursuant to chapter 156A;
- (nn) Water and waste treatment operators regulated by chapter 115;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection,

conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and

(8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health.

Sec. 4. [362.452] [REVIEW OF EXISTING RULES FOR BUSINESS LICENSES.]

Subdivision 1. [AGENCY REVIEW.] Each agency or instrumentality of the state which is authorized or directed by statute to issue business licenses shall complete a detailed written review of its rules for business licenses to assure compliance with the policy in section 2 of this article. Each agency shall review at least one-half of its rules for business licenses by June 30, 1982, and the remaining rules for business licenses by June 30, 1983.

Subd. 2. [LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE RULES.] Each agency shall submit its reviews of business licensing rules to the legislative commission to review administrative rules within 30 days of their completion. The reviews shall be submitted together with any agency recommendations to amend existing business licensing rules. The commission shall conduct public meetings to afford interested persons the opportunity to comment on the business licensing rules under review. The commission shall publish notice of the meetings in the state register at least 30 days in advance of the meetings.

Subd. 3. [ADMINISTRATIVE AND LEGISLATIVE AMENDMENTS.] Each agency shall use its review and the comments received from the public at the public meetings to initiate administrative action or legislative changes to bring the business licensing rules of the agency into compliance with the policy in section 2. If, following the review process, an agency determines that the existing statutory provisions for a license are inconsistent with the policy in section 2 of this article, the agency shall present legislation at the next regular session of the legislature to correct the inconsistencies, and the existing statutory provisions shall remain in effect until the legislature enacts the changes. An agency which does not review rules for a business license pursuant to this section shall report its decision and its reasons to the appropriate standing committees of the senate and the house of representatives at the next legislative session. Any rule for a business license so reported shall cease to exist as a condition of doing business at the end of that legislative session unless legislation is passed to continue the existence of the license.

Subd. 4. [EXISTING RULES; EXCEPTION.] Notwithstanding subdivision 1, an agency is not required to review any rule for a business license promulgated on or after January 1, 1977 when the agency has followed the recommendations of a hearing examiner if a hearing examiner was employed. Rules described in this subdivision are not subject to the provisions of subdivision 3.

Sec. 5. [362.453] [NEW LICENSES.]

Any new business license authorized by the legislature or established by rule after the effective date of sections 1 to 7 of this article shall conform to the policy in section 2 of this article.

Sec. 6. [362.454] [EXISTING LICENSES.]

Nothing in sections 1 to 5 of this article shall affect the validity of duration of an existing issued license.

Sec. 7. [STAFFING.]

General administrative and support services shall be provided at no cost to the legislative commission to review administrative rules by the house of representatives and the senate on an alternating basis for one year periods. The senate shall provide these services during the fiscal year ending June 30, 1983.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 of this article are effective the day following final enactment.

ARTICLE III

BUREAU OF BUSINESS LICENSES

Section 1. [362.451] [DECLARATION OF PURPOSE.]

It is the intent of the legislature that a program of business license assistance be established to provide a centralized state government office to which business license applicants may obtain comprehensive license information and assistance. The program of business assistance will be directed to commercial business undertakings, projects, and activities rather than to the issuance of licenses for individual privileges, including the occupational licenses for practicing a trade or profession, licenses for operating a motor vehicle, and amateur sporting licenses, including, but not limited to, hunting and fishing.

Sec. 2. [362.453] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 1 to 14 of this article, the following terms have the meanings given them.

Subd. 2. [AGENCY.] "Agency" has the meaning given it in Minnesota Statutes, Section 15.0411, Subdivision 2.

Subd. 3. [APPLICANT.] "Applicant" means a person acting on his own behalf or authorized to act on behalf of any other person for the purpose of securing a license.

Subd. 4. [BUREAU.] "Bureau" means the bureau of business licenses.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of the department of economic development.

Subd. 6. [DIRECTOR.] "Director" means the director of the bureau of business licenses.

Subd. 7. [BUSINESS LICENSE.] "Business license" or "license" has the meaning given it in Article II, Section 3, Subdivision 2.

Subd. 7a. [EXCEPTION.] "Business license" or "license" does not include any license excepted in Article II, Section 3, Subdivision 2a.

Subd. 8. [PERSON.] "Person" means any individual, proprietorship, partnership, association, cooperative, corporation, nonprofit organization, state or local government agency, and any other organization required to obtain one or more licenses.

Sec. 3. [362.455] [BUREAU OF BUSINESS LICENSES.]

Subdivision 1. [APPOINTMENT OF DIRECTOR.] The head of the bureau shall be the director of business licenses. The director shall be appointed by the commissioner in accordance with Minnesota Statutes, Section 362.23, and shall be in the classified service.

Subd. 2. [DIRECTOR'S POWERS AND DUTIES.] The director shall direct the work of the bureau. The director may, with the advice and consent of the commissioner, hire employees as he may deem necessary, prescribe their duties, fix their compensation, and provide for the reimbursement of their expenses.

Subd. 3. [DIRECTOR'S REPORT.] The director shall report to the commissioner or his designee on the activities of the bureau to ensure the consistency of those activities with the overall economic development policies of the state.

Subd. 4. [COORDINATION WITH OTHER AGENCIES.] The commissioner, working with other agency heads, shall assure that the activities of the bureau are fully coordinated with related activities of other agencies.

Sec. 4. [362.457] [GENERAL FUNCTIONS; POWERS AND DUTIES.]

The bureau, by and through the director or his duly authorized employees, shall have the following functions, powers, and duties:

(a) Providing comprehensive information on licenses required for business undertakings, projects, and activities in the state and making the information available to applicants and other persons;

(b) Providing interested persons with an opinion as to the number, kind, and source of required licenses and potential difficulties in obtaining the licenses, based on a review of a potential applicant's business concept at an early stage in its planning;

(c) Developing with the assistance of other departments a master application procedure to expedite the identification and processing of these licenses;

(d) Facilitating or recommending consolidation of hearings required pursuant to licensing applications when feasible and advantageous;

(e) Encouraging and facilitating the participation of federal and local government agencies in licensing coordination;

(f) Making recommendations for eliminating, consolidating, simplifying, expediting, or otherwise improving licensing procedures affecting business undertakings; and

(g) Adopting rules, procedures, instructions, and forms as are required to carry out the functions, powers, and duties imposed upon the bureau by sections 1 to 14 of this article.

Sec. 5. [362.459] [ASSISTANCE OF OTHER AGENCIES.]

To effect the purposes of sections 1 to 14 of this article, and when requested by the commissioner, an agency shall to the extent practicable provide assistance, services, facilities, and data as will enable the bureau to carry out its functions, powers, and duties.

Sec. 6. [362.461] [COMPREHENSIVE LICENSE INFORMATION.]

Subdivision 1. [REPORTS BY AGENCIES.] Not later than 90 days from the effective date of sections 1 to 14 of this article, each agency issuing licenses for business undertakings, projects, and activities shall report to the bureau, in a form prescribed by the bureau, on each and every type of license administered or issued by the agency. Application forms, applicable agency rules, fee schedules, and the estimated time period necessary for license application consideration based on experience and statutory or regulatory requirements shall accompany each report. The reports shall be updated every two years.

Subd. 2. [REPORT SUPPLEMENTATION.] Each agency issuing licenses for business undertakings, projects, and activities shall, subsequent to its report pursuant to subdivision 1, provide the bureau with a report of any new license or modification of any existing license, or licensing procedures, together with applicable forms, rules, and information required under subdivisions 1 and 2 regarding new or modified licenses.

Subd. 3. [PREPARATION OF INFORMATION FILE.] The bureau shall prepare an information file on agency license requirements upon receipt of the agency reports and shall develop methods for its maintenance, revision, updating, and ready access.

Subd. 4. [LICENSE INFORMATION PROVIDED BY BUREAU.] The bureau shall provide comprehensive license information on the basis of information submitted in subdivisions 1 to 3. The bureau may prepare and distribute publications, guides, and other materials based upon the agency reports and the information file. These materials are designed to serve the convenience of license applicants and explain license requirements affecting business, including requirements having multiple license or multiple agency aspects.

Sec. 7. [362.463] [PREAPPLICATION CONFERENCES.]

Subdivision 1. [REQUESTS FOR CONFERENCE.] The bureau, at the request of any person, proceeding in accordance with this section, may conduct a preapplication conference, pending the formal submission of application forms, in which affected agencies shall participate to the extent practicable in order to clarify the nature and scope of their interest, to provide guidance regarding license application and review procedures, and to coordinate agency actions and data collection or submission regarding license application.

Subd. 2. [MULTIPLE LICENSES; AGENCIES TO PROVIDE REVIEW AND OPINION.] If, in the course of a preapplication conference, it becomes clear in the opinion of the director that a proposed business undertaking: (a) may require multiple licenses from the same or different state departments; (b) will take place in phases over an extended period of time; (c) will involve substantial expense for preparation of detailed plans, specifications and license applications; or (d) is of a new or unique nature, then each affected agency shall, at the request of the director to the extent practicable, provide the applicant with a written review and opinion as to all licenses which the agency would require for the proposed undertaking, the standards and conditions which would have to be met in order to obtain the licenses, timetables involved, and any properly related circumstances or findings.

Subd. 3. [WRITTEN OPINIONS; TIME LIMITS; EXTENSIONS.] Each agency participating in the review and opinion process shall render the written

opinion within a period not exceeding 60 days from the date fixed by the director. This period may be extended by the director at the request of an interested agency for the further consideration of information provided in accordance with this section. The director shall advise the person having requested the review and opinion of the extension, the reasons for it, and the revised period fixed by the director for rendering the written opinion. The person shall be entitled to confer with the bureau and with any agency having been granted an extension of time to ascertain what further information, if any, is required to facilitate the rendering of the review and opinion.

Subd. 4. [EFFECT OF REVIEW AND OPINION PROCEDURE.] A preapplication review and opinion shall not relieve the person from the responsibility of obtaining any required licenses and shall be contingent upon the submission of all detailed plans, specifications, and information required for license applications. An agency's written opinion as to required licenses shall remain in effect indefinitely for the proposed business undertaking, project, or activity as described in the applicant's submission. However, if new license requirements or related standards over which an agency has no control or discretion in establishing subsequently become effective, the new license requirements or standards shall not be considered to have been part of the preapplication review and opinion. The opinion of the agency may be modified or amended by the agency at any time and shall not prohibit the agency from requiring additional licenses as deemed necessary for the applicant.

Subd. 5. [RULES OF PROCEDURE.] The bureau shall promulgate rules for the procedures to be followed in the conduct of preapplication reviews and opinions.

Sec. 8. [362.465] [MASTER APPLICATION PROCEDURE.]

Subdivision 1. [DEVELOPMENT AND IMPLEMENTATION.] The bureau shall develop and implement a master application procedure to expedite the identification and processing of licenses for business undertakings, projects, and activities. A master application shall be made on a form prescribed by the bureau. This form shall request concise and specific information necessary to determine those licenses which are or may be required for the undertaking, project, or activity in order to insure speedy issuance of the licenses when all necessary requirements are met.

Subd. 2. [BUREAU ASSISTANCE IN PREPARING.] Use of the master application procedure shall be at the option of any person proposing a business undertaking, project, or activity. Upon request, the bureau shall assist any person in preparing a master application, describe the procedures involved, and provide other information from the comprehensive license information file as may be helpful or necessary.

Subd. 3. [RECEIPT OF APPLICATION; NOTIFICATION TO AGENCIES.] Upon receipt of a master application the bureau shall immediately notify in writing each agency having a possible interest in the proposed business undertaking, project, or activity with respect to licenses which are or may be required.

Subd. 4. [AGENCY RESPONSE.] Each agency so notified shall respond to the bureau within 20 days of receipt of the notice and shall advise the bureau whether one or more licenses under its jurisdiction are or may be required for

the business undertaking, project, or activity described in the master application. The response shall specify the licenses which in the opinion of the agency are or may be required, if any, and shall indicate the fees to be charged.

Subd. 5. [CONSEQUENCES OF NEGATIVE OR NONRESPONSES.] Any agency so notified which responds that it does not have an interest in the license requirements of the business undertaking, project, or activity described in the master application, or which does not respond within the time period specified in subdivision 4, shall not require a license for the undertaking, project, or activity described in the master application. Except that where unusual circumstances have prevented an agency from notifying the bureau, and the agency establishes that failure to require a license would result in substantial harm to the public health or welfare, the commissioner may order that the license be required.

Subd. 6. [FAILURE TO PROVIDE ACCURATE OR PERTINENT INFORMATION.] The provisions of subdivision 5 shall not apply if the commissioner of economic development determines that the master application contained false, misleading, or deceptive information, or failed to include pertinent information, the lack of which could reasonably lead an agency to misjudge the applicability of licenses under its jurisdiction, or if new license requirements or related standards subsequently became effective for which an agency had no discretion in establishing the effective date.

Subd. 7. [NOTIFICATION TO APPLICANT.] The bureau, following the 20 day notice and response period, shall promptly provide the person having submitted a master application with application forms and related information for all licenses specified by the interested agencies and shall advise the person:

(a) That all forms are to be completed and submitted to the interested agencies; and

(b) At the option of the applicant, that the bureau will receive all forms as a package with the fees to be charged, if any, and that the bureau will immediately separate and submit the forms and any allocable fees to the appropriate agencies.

Subd. 8. [WITHDRAWAL OF APPLICATION.] An applicant may withdraw a master application at any time without forfeiture of any license approval applied for or obtained under the master application procedures contained in this section.

Sec. 9. [362.467] [LICENSE COORDINATION AND ASSISTANCE TO APPLICANTS.]

Subdivision 1. [AUTHORIZATION.] Any applicant for licenses required for a business undertaking, project, or activity may confer with the bureau to obtain assistance in the prompt and efficient processing and review of applications.

Subd. 2. [DUTIES OF THE BUREAU.] The bureau shall, so far as possible, render assistance; and the director may designate an officer or employee of the bureau to act as an expeditor for the purpose of:

(a) Facilitating contacts for the applicant with agencies responsible for processing and reviewing license applications;

(b) Arranging conferences to clarify the interest and requirements of any

agency with respect to license applications;

(c) Considering with agencies the feasibility of consolidating hearings and data required of the applicant; and

(d) Assisting the applicant in the resolution of outstanding issues identified by agencies, including delays experienced in license review.

Sec. 10. [362.469] [CONSOLIDATED HEARINGS.]

Subdivision 1. [BUREAU MAY REQUEST.] The bureau may request the office of administrative hearings to consolidate hearings insofar as it is feasible and agreeable to all parties.

Subd. 2. [RULES OF PROCEDURE.] A consolidated hearing shall be conducted in a manner consistent with Minnesota Statutes, Sections 15.0411 to 15.052, and the applicable rules of the office of administrative hearings.

Subd. 3. [PREHEARING CONFERENCE.] The office of administrative hearings, with the consent of the agencies having license jurisdiction, may provide for a prehearing conference to assist in the disposition of the type, time, place, and parties of the consolidated hearing, the simplification of the issues, the stipulations as to agreed facts and necessary documents, and other relevant matters.

Sec. 11. [362.471] [LICENSE AUTHORITY RETAINED.]

Each agency having jurisdiction to approve or deny a license shall have the continuing power vested in it to make such determinations. The provisions of sections 1 to 14 of this article shall not lessen or reduce these powers and shall modify the procedures followed in carrying out these powers only to the extent provided in sections 1 to 14 of this article.

Sec. 12. [362.473] [SERVICES PROVIDED AT NO CHARGE.]

Services rendered by the bureau shall be made available without charge. Nothing contained in this section shall relieve an applicant of any part of the fees or charges established for the review and approval of license applications or relieve an applicant of any of the apportioned costs of a consolidated hearing conducted under sections 7 and 8 of this article.

Sec. 13. [362.475] [FEDERAL AND LOCAL GOVERNMENT PARTICIPATION.]

Subdivision 1. [ENCOURAGEMENT.] Federal and local government license agencies shall be encouraged to participate in the business license information, coordination, and assistance services of the bureau and to make information available to applicants through the bureau with respect to any business undertaking, project, or activity which is referred to the bureau under the provisions of sections 1 to 14 of this article.

Subd. 2. [ASSISTANCE TO FEDERAL AND LOCAL AGENCY LICENSE APPLICANTS.] The bureau shall, so far as is practicable, advise applicants of federal and local agency license requirements and shall maintain an information file on licenses for which the state has delegated issuance authority to local government agencies.

Subd. 3. [COORDINATION OF LICENSE REVIEW PROCEDURES.] The director shall consult with local government officials with respect to co-

operation in coordinating state and local license application and review procedures and shall recommend to the governor and the legislature any actions which would facilitate this coordination.

Sec. 14. [362.477] [COMPILATION AND MAINTENANCE OF STATISTICAL DATA.]

The bureau shall obtain and keep on an annual basis appropriate statistical data regarding the number of licenses issued by agencies, the amount of time necessary for the licenses to be issued, the cost of obtaining the licenses, the types of projects for which specific licenses are issued, a geographic distribution of licenses issued, and other pertinent data which the director deems appropriate. The bureau shall analyze the data by type of license and by agency responsible and shall make its findings available to the public.

Sec. 15. [REPEALER.]

Minnesota Statutes 1980, Section 362.45, is repealed.

Sec. 16. [REVOLVING FUND.]

There is established a business license revolving fund. Any other law notwithstanding, every agency issuing a business license after the effective date of this act shall impose a two percent surcharge or \$10, whichever is the lesser amount, for the issuance or renewal of a business license through the period ending June 30, 1982. A surcharge of one percent or \$10, whichever is the lesser amount, shall be imposed beginning July 1, 1982. Proceeds from the license surcharge shall be deposited in the business license revolving fund.

Sec. 17. [APPROPRIATION.]

There is appropriated from the general fund to the bureau of business licenses the sum of \$450,000 for the purpose of implementing sections 1 to 14 of this article. This appropriation is available until June 30, 1983. The complement of the department of economic development is increased by four. The funds deposited in the business license revolving fund shall be transferred to the general fund in an amount not to exceed \$450,000 for the biennium ending June 30, 1983.

Sec. 18. [EFFECTIVE DATE.]

Sections 1 to 15 of this article are effective the day following final enactment.

Amend the title as follows:

Page 1, line 5, after the semicolon insert "establishing a uniform business licensing policy; defining its scope; and detailing its application and effect; prescribing the powers and duties of the bureau of business licenses regarding the consolidation, simplification and expedition of business license procedures of state agencies; appropriating money;"

Page 1, line 6, before "362.50" insert "3.965, by adding a subdivision;"

Page 1, line 8, after the semicolon insert "proposing new law coded in Minnesota Statutes, Chapter 362;" and delete "Section" and insert "Sections 362.45; and"

The motion prevailed. So the amendment was adopted.

H. F. No. 188, which the committee recommends to pass, subject to the following motion:

The question was taken on the recommendation to pass H. F. No. 188.

The roll was called, and there were yeas 38 and nays 14, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Kronebusch	Penny	Rued
Bang	Davies	Lantry	Peterson, C. C.	Schmitz
Belanger	Engler	Lessard	Peterson, D. L.	Solon
Benson	Frederick	Lindgren	Peterson, R. W.	Stern
Berg	Frederickson	Menning	Petty	Tennessee
Bernhagen	Hanson	Merriam	Pillsbury	Ulland
Bertram	Keefe	Nelson	Purfeerst	
Brataas	Knutson	Pehler	Renneke	

Those who voted in the negative were:

Berglin	Dicklich	Kroening	Stokowski	Waldorf
Chmielewski	Dieterich	Luther	Stumpf	Willet
Davis	Frank	Moe, D. M.	Vega	

The motion prevailed. So H. F. No. 188 was recommended to pass.

H. F. No. 356, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Amend H. F. No. 356, the unofficial engrossment, as follows:

Page 1, line 15, delete "information."

The motion prevailed. So the amendment was adopted.

H. F. No. 306, which the committee recommends to pass, subject to the following motion:

The question was taken on the recommendation to pass H. F. No. 306.

The roll was called, and there were yeas 33 and nays 26, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Menning	Peterson, R. W.	Stumpf
Chmielewski	Hughes	Merriam	Petty	Tennessee
Dahl	Humphrey	Moe, D. M.	Purfeerst	Vega
Davies	Johnson	Moe, R. D.	Sikorski	Waldorf
Dicklich	Kroening	Nelson	Spear	Willet
Dieterich	Langseth	Pehler	Stern	
Frank	Luther	Peterson, C. C.	Stokowski	

Those who voted in the negative were:

Bang	Brataas	Knutson	Peterson, D. L.	Taylor
Belanger	Davis	Kronebusch	Ramstad	Ulland
Benson	Engler	Lantry	Renneke	
Berg	Frederickson	Lessard	Rued	
Bernhagen	Keefe	Lindgren	Schmitz	
Bertram	Knoll	Penny	Setzpfandt	

The motion prevailed. So H. F. No. 306 was recommended to pass.

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Olhoft moved that the following members be excused for a Conference Committee on H. F. No. 1052 at 1:30 p.m.:

Messrs. Olhoft, Setzepfandt and Rued. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate revert 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. 118: A bill for an act relating to crimes; prohibiting the furnishing of tobacco related devices to minors; prohibiting minors from using tobacco or tobacco related devices; prescribing penalties; amending Minnesota Statutes 1980, Section 609.685.

Senate File No. 118 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

CONCURRENCE AND REPASSAGE

Mr. Waldorf moved that the Senate concur in the amendments by the House to S. F. No. 118 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 118: A bill for an act relating to crimes; prohibiting the furnishing of tobacco related devices to minors; prohibiting minors from using tobacco or tobacco related devices; prescribing penalties; preserving local ordinances relating to minors' use of tobacco related devices; amending Minnesota Statutes 1980, Section 609.685.

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 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kroening	Penny	Sieloff
Belanger	Engler	Kronebusch	Peterson, C. C.	Solon
Benson	Frank	Langseth	Peterson, D. L.	Stern
Berg	Frederick	Lantry	Peterson, R. W.	Stokowski
Bernhagen	Frederickson	Lessard	Petty	Stumpf
Bertram	Hanson	Lindgren	Pillsbury	Taylor
Brataas	Hughes	Luther	Purfeerst	Tennessee
Chmielewski	Humphrey	Menning	Ramstad	Ulland
Dahl	Johnson	Merriam	Renneke	Vega
Davies	Keefe	Moe, R. D.	Rued	Waldorf
Davis	Knoll	Olhoft	Schmitz	Willet
Dicklich	Knutson	Pehler	Setzepfandt	

Mr. Bang, Ms. Berglin and Mr. Spear 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. 1212: A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

Senate File No. 1212 is herewith returned to the Senate:

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

Mr. Davis moved that the Senate do not concur in the amendments by the House to S. F. No. 1212, 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. 660: A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

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

Rees; Carlson, L. and Hokr.

Senate File No. 660 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

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. 690: A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivi-

sions 9 and 12.

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

Reding, Sarna and Kaley.

Senate File No. 690 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

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. 694: A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

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

Rees, Voss and Gruenes.

Senate File No. 694 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

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. 939: A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

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

Staten, Greenfield and Luknic.

Senate File No. 939 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 586:

H. F. No. 586: A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

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

Anderson, B.; Simoneau and Dempsey have been appointed as such committee on the part of the House.

House File No. 586 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, 1981

Ms. Berglin moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 586, 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. 936:

H. F. No. 936: A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

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

Lehto, Munger and Nysether have been appointed as such committee on the part of the House.

House File No. 936 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, 1981

Mr. Hanson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 936, 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. 969 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 969 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 969

A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, Subdivision 2.

May 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives
The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 969, 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) Gordon O. Voss, William Schreiber, Paul McCarron

Senate Conferees: (Signed) Franklin J. Knoll, Howard A. Knutson, William P. Luther

Mr. Knoll moved that the foregoing recommendations and Conference Committee Report on H. F. No. 969 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. 969 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, D. L.	Stern
Bang	Engler	Lantry	Peterson, R. W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Bernhagen	Frederickson	Luther	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Keefe	Moe, R. D.	Rued	Waldorf
Dahl	Knoll	Olhoft	Schmitz	Willet
Davies	Knutson	Pehler	Setzepfand	
Davis	Kroening	Penny	Sieloff	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

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

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. 1088 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1088 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1088

A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

May 8, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1088, 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. 1088 be further amended as follows:

Page 1, lines 17 to 23, delete the new language and insert "*The secretary of state shall maintain a microfilmed copy of government survey documents for public inspection. The original documents shall be preserved in a climate controlled environment prescribed by the secretary of state. The documents shall be maintained so that they are available for public inspection.*"

Amend the title as follows:

Page 1, line 4, delete "filing" and insert "preserving" and delete "with"

Page 1, line 5, delete "the Minnesota historical society"

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

House Conferees: (Signed) Lawrence J. Pogemiller, Frank J. Rodriguez, Sr., John R. Kaley

Senate Conferees: (Signed) James C. Pehler, Steven O. Lindgren, Ronald R. Dicklich

Mr. Pehler moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1088 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. 1088: A bill for an act relating to the secretary of state; requiring

that government survey documents be maintained on microfilm; providing for preserving certain documents; amending Minnesota Statutes 1980, Section 5.03.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knutson	Pehler	Setzepfandt
Bang	Dicklich	Kroening	Penny	Sieloff
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Spear
Benson	Engler	Langseth	Peterson, D.L.	Stern
Berg	Frank	Lantry	Peterson, R.W.	Stokowski
Berglin	Frederickson	Lessard	Petty	Stumpf
Bernhagen	Hanson	Lindgren	Pillsbury	Taylor
Bertram	Hughes	Luther	Purfeerst	Tennessee
Brataas	Humphrey	Menning	Ramstad	Ulland
Chmielewski	Johnson	Merriam	Renneke	Vega
Dahl	Keefe	Moe, R. D.	Rued	Waldorf
Davies	Knoll	Olhoft	Schmitz	Willet

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. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Willet from the Committee on Finance, to which was re-referred.

S. F. No. 65: A bill for an act relating to the attorney general; providing that the attorney general may render bond counsel services to state agencies and political subdivisions upon request; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 8.

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

Page 2, delete lines 9 and 10

Page 2, line 11, delete everything before "state"

Page 2, line 15, after the period, insert "*Fees shall be credited to a bond counsel account and are annually appropriated to the attorney general for providing bond counsel services.*"

Page 2, delete lines 16 to 19

Renumber the remaining section

And when so amended the bill be re-referred to the Committee on Governmental Operations.

Mr. Moe, R.D. moved the adoption of the foregoing committee report. Mr. Tennessee questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. 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. Pehler, Dicklich, Davis and Knoll introduced—

S.F. No. 1414: A bill for an act relating to congressional districts; reapportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

Referred to the Committee on Elections and Reapportionment.

Messrs. Bernhagen, Benson, Setzepfandt, Renneke and Ashbach introduced—

S.F. No. 1415: A bill for an act relating to publicly owned lands; directing the commissioner of natural resources to take certain actions and make recommendations intended to stabilize the acreage of publicly owned lands within the state; amending Minnesota Statutes 1980, Section 84.027, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Hanson; Peterson, C.C.; Willet; Moe, R.D. and Benson introduced—

S.F. No. 1416: A bill for an act relating to taxation; providing property tax relief for certain agricultural woodlands; providing reimbursement to the counties for lost revenue; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ashbach, by request, introduced—

S.F. No. 1417: A bill for an act relating to education; providing for the higher education coordinating board to be the commissioner of administration; appropriating money; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; and 136A.142; proposing new law coded in Minnesota Statutes, Chapter 136A; repealing Minnesota Statutes 1980, Section 136A.02, Subdivisions 1a and 3.

Referred to the Committee on Education.

Mr. Menning introduced—

S.F. No. 1418: A bill for an act relating to natural resources; authorizing an addition to Split Rock Creek Recreation Area and authorizing land acquisition in relation thereto.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin, Messrs. Stern, Hanson, Olhoft and Vega introduced—

S.F. No. 1419: A bill for an act relating to taxation; increasing the rate of taxes on intoxicating liquors and tobacco products; imposing additional taxes on cigarettes; imposing penalties; amending Minnesota Statutes 1980, Sections 297.32, Subdivisions 1 and 2; and 340.47, Subdivisions 1 and 1a; proposing new law coded in Minnesota Statutes, Chapter 297.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bang introduced—

S.F. No. 1420: A bill for an act relating to labor; providing for wage deductions in certain instances; amending Minnesota Statutes 1980, Section 181.79, Subdivision 1.

Referred to the Committee on Employment.

Messrs. Renneke, Setzepfandt, Benson, Wegener and Lessard introduced—

S.F. No. 1421: A bill for an act relating to game and fish; authorizing a separate selection for deer permits for persons 65 years of age or older; amending Minnesota Statutes 1980, Section 97.48, Subdivision 24.

Referred to the Committee on Agriculture and Natural Resources.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Tuesday, May, 12, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-SECOND DAY

St. Paul, Minnesota, Tuesday, May 12, 1981

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Robert Babbitt.

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

Ashbach	Dicklich	Kroening	Penny	Sikorski
Bang	Dieterich	Langseth	Peterson, C.C.	Solon
Belanger	Engler	Lantry	Peterson, D.L.	Spear
Benson	Frank	Lessard	Peterson, R.W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Berglin	Frederickson	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Tennesen
Brataas	Humphrey	Moe, D.M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R.D.	Rued	Vega
Dahl	Keefe	Nelson	Schmitz	Waldorf
Davis	Knoll	Olhoft	Setzepfandt	Wegener
Davis	Knutson	Pehler	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

Mrs. Kronebusch was excused from the Session of today. Mr. Moe, R.D. was excused from the Session of today from 12:15 to 12:45 p.m. Mr. Peterson, D.L. was excused from the Session of today from 11:00 a.m. to 3:00 p.m. Mr. Waldorf was excused from the Session of today from 12:30 to 3:00 p.m. Mr. Peterson, R.W. was excused from the Session of today from 2:50 to 4:00 p.m. Mr. Schmitz was excused from the Session of today at 3:00 p.m. Mr. Sieloff was excused from the Session of today until 3:00 p.m. Mr. Menning was excused from the Session of today at 5:00 p.m.

REPORTS FILED WITH THE SECRETARY OF THE SENATE

The following reports were received and filed by the Secretary of the Senate: Department of Employee Relations, Pay Range Assignment of Doctors of Medicine, 1980; Department of Agriculture, Biennial Report, July 1, 1978-June 30, 1980; University of Minnesota, Annual Report, 1980; Metropolitan Council, Annual Report, 1980 and Appendix; Minnesota Housing Finance Agency, Biennial Report and Appendix, 1980-81; Minnesota Housing Finance

Agency, Municipal Housing Bond Programs; Minnesota Department of Economic Security, Youth Employment Act Program, 1980; Department of Education, Review and Comment Report on School Construction, 1981; Department of Health, Home Care Demonstration Program, 1981; State Planning Agency, Human Services Boards, 1981; Metropolitan Council, Metropolitan Sports Facilities Commission, Proposed 1981 Budget; Metropolitan Council, Metropolitan Transit Commission, 1981 Capital Budget, 1980; Supreme Court, State Court Administrator's Report on Wiretaps, 1980; Department of Education, Telecommunications and Microcomputers: A Study of the MECC Elementary and Secondary School Educational Computer Delivery Systems, 1980; Department of Employee Relations, Job-Sharing Program, 1980; Minnesota State Arts Board, Annual Report, 1980; Department of Employee Relations, Report on Internship and Summer Youth Work Experience Programs, 1980; Department of Corrections, Crime Victim Crisis Centers, 1981; Department of Corrections, Women Helping Offenders, 1981; Department of Employee Relations, Annual Report, State Employee Group Insurance Plan, Oct. 1979 to Oct. 1980; Department of Education, Report on School Bus Alcohol Fuel Grants, 1981; Department of Public Safety, Nuclear Power Plants Emergency Plans, 1981; Educational Computing Consortium and State Department of Education, Review and Analysis of User Services Support for Instructional Computing in Minnesota, 1981; Metropolitan Council, Metropolitan Sports Facilities Commission, Small Business Procurement Act, 1981; Water Planning Board, Special Study on Local Water Management, 1981; Iron Range Resources and Rehabilitation Board, Biennial Report, 1978-1980; Department of Commerce, Annual Report of Conventional Mortgage Lenders of 1980 and Analysis of Effects of Federal Preemption of Real Estate Lending in Minnesota; Southern Minnesota Rivers Basin Board Report, 1981; Department of Public Welfare, Community Social Services Act, 1980 Effectiveness Report; Department of Health, Nursing Home Dental Health Program, 1981; Department of Public Welfare, Evaluation Report on Chemical Dependency Programs; Minnesota Environmental Quality Board, Economic Feasibility of Power Plant Conversion to District Heating Operation, Addendum to the Considerations in Electric Power Plant Siting, 1981; Department of Public Welfare, Pre-Admission Screening Program for Long-term Care, 1981; Commissioner of Finance, 1980 Report; Housing Finance Agency, Energy Rehabilitation Loan Origination Fee Subsidy; Metropolitan Council, Waste Control Commission Budget.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 8, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
149		117	May 8	May 8
168		118	May 8	May 8
562		119	May 8	May 8
671		120	May 8	May 8
825		121	May 8	May 8
	63	122	May 8	May 8
	121	123	May 8	May 8
	168	124	May 8	May 8
	189	125	May 8	May 8
	258	126	May 8	May 8
	277	127	May 8	May 8
	365	128	May 8	May 8
	371	129	May 8	May 8
	395	130	May 8	May 8
	413	131	May 8	May 8
	436	132	May 8	May 8
	449	133	May 8	May 8
	462	134	May 8	May 8
	484	135	May 8	May 8
	564	136	May 8	May 8
	579	137	May 8	May 8
	588	138	May 8	May 8
	601	139	May 8	May 8

Sincerely,

Joan Anderson Growe
Secretary of State

May 8, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	634	140	May 8	May 8
	739	141	May 8	May 8
	775	142	May 8	May 8
	893	143	May 8	May 8
	918	144	May 8	May 8
	928	145	May 8	May 8
	1015	146	May 8	May 8
	1059	147	May 8	May 8

1075	148	May 8	May 8
1304	149	May 8	May 8
1080	150	May 8	May 8

Sincerely,

Joan Anderson Growe
Secretary of State

May 8, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. No. 1259.

Sincerely yours,

Albert H. Quie, Governor

May 11, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 1248, 1278, 1193, 823, 625, 556, 550, 432, 291, 77, 18 and 443.

Sincerely yours,

Albert H. Quie, Governor

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. 1106, 732, 1323 and 662.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

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. 452: A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

Senate File No. 452 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

Mr. Spear moved that the Senate do not concur in the amendments by the House to S. F. No. 452, 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. 1132: A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

Senate File No. 1132 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1981

Mr. Stumpf, for Mr. Hughes, moved that S. F. No. 1132 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 473, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 473 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 473

A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

May 8, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 473, 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. 473 be further amended as follows:

Page 1, line 13, delete "*long range*"

Page 1, line 14, delete "*interests of*"

Page 1, line 17, delete "*16 U.S.C. Section 2601*" and insert "*Pub.L. 95-617, 92 Stat. 3117,*"

Page 1, line 18, delete "*et seq.*"

Page 1, line 19, delete "*Section*" and insert "*Part*"

Page 1, line 19, delete "*292.101 et seq.*" and insert "*292,*"

Page 1, line 25, delete "*20*" and insert "*40*"

Page 2, line 5, delete "*calculated using the rate schedule that would apply to*" and insert "*at a per kilowatt hour rate set by the commission. In setting these rates, the commission shall consider the fixed distribution costs to the utility not otherwise accounted for in the basic monthly charge and shall ensure that the costs charged to the qualifying facility are not discriminatory in relation to the costs charged to other customers of the utility. Notwithstanding any other language to the contrary in this section, the commission shall set the rates for net input into the utility system based on avoided costs as defined in 18 C.F.R. Section 292.101(b)(6), the factors listed in 18 C.F.R. Section 292.304, and all other relevant factors*"

Page 2, delete line 6

Page 2, line 7, delete "*energy less 40 percent*"

Page 2, lines 14 and 18, delete "*20*" and insert "*40*"

Page 2, line 17, after "*(a)*" insert "*Except as otherwise provided in paragraph (c),*"

Page 2, line 26, after "*(c)*" insert "*For all qualifying facilities having 30 kilowatt capacity or more,*"

Page 2, line 26, after "*facility's*" insert "*or the utility's*"

Page 2, line 32, after "*charges*" insert "*and line losses*"

Page 3, after line 14, insert:

"*Subd. 8. [CUSTOMER, INTERCONNECTION AND WHEELING CHARGES.] Nothing contained in this section shall be construed to excuse the qualifying facility from any obligation for costs of interconnection and wheeling in excess of those normally incurred by the utility for customers with similar load characteristics who are not cogenerators or small power producers, or from any fixed charges normally assessed such non-generating customers.*"

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

House Conferees: (Signed) Earl Hauge, Todd H. Otis, Steve A. Sviggum

Senate Conferees: (Signed) Gregory L. Dahl, Ronald R. Dicklich, Glen Taylor

Mr. Dahl moved that the foregoing recommendations and Conference Committee Report on H. F. No. 473 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. 473 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 3, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Penny	Spear
Bang	Frank	Lantry	Peterson, C. C.	Stern
Belanger	Frederick	Lessard	Peterson, R. W.	Stokowski
Benson	Frederickson	Lindgren	Petty	Stumpf
Berg	Hanson	Luther	Pillsbury	Taylor
Berglin	Hughes	Menning	Purfeerst	Tennessee
Bertram	Humphrey	Merriam	Ramstad	Ulland
Brataas	Johnson	Moe, D. M.	Renneke	Waldorf
Dahl	Keefe	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzepfandt	Willet
Davis	Knutson	Olhoff	Sikorski	
Dicklich	Kroening	Pehler	Solon	

Messrs. Bernhagen, Chmielewski and Rued 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 refuses to concur in the Senate amendments to the following House File:

H. F. No. 2: A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, Subdivision 3.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Wenzel, McCarron, Levi, Vanasek and Rothenberg have been appointed as such committee on the part of the House.

House File No. 2 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, 1981

Mr. Waldorf moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2, 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. 817.

H. F. No. 817: A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section

126.21, Subdivision 3.

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

Schoenfeld, Reding and Weaver have been appointed as such committee on the part of the House.

House File No. 817 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, 1981

Mr. Purfeerst moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 817, 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. Hughes moved that S. F. No. 1132 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Hughes moved that the Senate concur in the amendments by the House to S. F. No. 1132 and that the bill be placed on its repassage as amended.

Mr. Merriam moved that the Senate do not concur in the amendments by the House to S. F. No. 1132, 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.

Mr. Hughes moved that S. F. No. 1132 be laid on the table. The motion did not prevail.

The question recurred on the motion of Mr. Merriam. The motion prevailed.

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. 769.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1981

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 769: A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

Mr. Penny moved that H. F. No. 769 be laid on the table. The motion

prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 789: A bill for an act relating to natural resources; increasing motor vehicle permit fees for state parks, monuments, recreation areas, and waysides; establishing a dedicated account; appropriating money; amending Minnesota Statutes 1980, Section 85.05, Subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, Chapter 85.

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

Page 3, line 9, delete "*which is annually appropriated*"

Amend the title as follows:

Page 1, line 5, delete "appropriating money;"

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 355: A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

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

Page 1, line 20, after "*disability*" insert "*benefit*"

Page 3, line 7, after the dollar sign, insert "*11,300,000*"

Page 3, delete lines 11 to 17 and insert:

	"FY 1982	FY 1983
<i>public employees retirement fund</i>	\$2,109,753	\$2,002,430
<i>public employees police and fire fund</i>	73,926	70,837
<i>teachers retirement fund</i>	1,680,154	1,606,863
<i>highway patrol retirement fund</i>	63,900	63,784
<i>state employees retirement fund</i>	1,530,092	1,458,534
<i>Minneapolis employees retirement fund</i>	327,536	312,191"

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

Mr. Willet from the Committee on Finance, to which was referred

H. F. No. 826: A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

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

Page 1, delete section 1

Page 2, after line 7, insert:

“Sec. 2. [TASK FORCE TO EVALUATE PILOT PROJECT.]

The commissioner of health shall appoint an advisory task force to aid in establishing and evaluating the pilot project. The members shall represent the provider community, the existing registries, public health professionals, labor representatives, environmental protection groups, veterans groups, and other interested consumers. Expiration and compensation of members shall be in accordance with section 15.059, subdivision 6.”

Page 2, after line 22, insert:

“Sec. 4. [APPROPRIATION.]

The sum of \$3,500 is appropriated from the general fund to the commissioner of health for the advisory task force to evaluate the pilot project to be available for the fiscal year ending June 30 in the years indicated.

1982	1983
\$1,500	\$2,000”

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 4, after “test” insert “; creating an advisory task force; appropriating money”

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 810: A bill for an act relating to pollution; authorizing water pollution control fund grants for certain wastewater treatment projects; authorizing issuance of Minnesota state water pollution control bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4:

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

Page 1, line 15, reinstate the stricken language and delete the new language

Page 3, delete section 2

Amend the title as follows:

Page 1, line 4, delete “authorizing issuance of Minnesota state”

Page 1, delete line 5

Page 1, line 7, delete “Subdivisions” and insert “Subdivision” and delete “and 4”

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which

was referred

H. F. No. 477 for comparison with 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.
477	301				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 477 be amended as follows:

Page 2, after line 18, insert:

"Sec. 5. Minnesota Statutes 1980, Section 136A.16, is amended by adding a subdivision to read:

Subd. 13. Before implementing a loan program for parents as defined in section 2, the board shall obtain approval from the legislative advisory commission."

Page 4, line 34, after "board" insert "*and the state board for vocational education*"

Page 4, line 35, delete "*certify to the legislature before January 1, 1983, whether*" and insert "*develop, before February 1, 1982, the necessary procedures to provide that*"

Page 5, line 1, delete "*can be*" and insert "*are*"

Page 5, line 2, after "*of*" insert "*sections*"

Page 5, line 4, delete "*13*" and insert "*14*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "*purposes;*" insert "*requiring the higher education coordinating board to receive approval prior to implementing a parent loan program;*"

Page 1, line 9, delete "*certification of*" and insert "*development*"

Page 1, line 10, delete "*status of tuition subsidy recipients*" and insert "*of procedures by the higher education coordinating board and the state board for vocational education*"

Page 1, line 12, after "*4*" insert "*, and by adding a subdivision*"

And when so amended H. F. No. 477 will be identical to S. F. No. 301, and further recommends that H. F. No. 477 be given its second reading and substituted for S. F. No. 301, 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. 789, 355 and 810 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 826 and 477 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Willet moved that S. F. No. 1247 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Willet moved that the Senate concur in the amendments by the House to S. F. No. 1247 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1247: A bill for an act relating to education; permitting districts to purchase insurance coverage for the operation of leased buses in certain circumstances; amending Minnesota Statutes 1980, Section 123.39, Subdivisions 8 and 9 and 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, C. C.	Stem
Bang	Dieterich	Lantry	Peterson, R. W.	Stokowski
Belanger	Engler	Lessard	Petty	Stumpf
Benson	Frank	Lindgren	Pillsbury	Taylor
Berg	Frederick	Luther	Purfeerst	Tennessee
Berglin	Frederickson	Menning	Ramstad	Ulland
Bernhagen	Hanson	Merriam	Renneke	Vega
Bertram	Hughes	Moe, D. M.	Rued	Waldorf
Brataas	Johnson	Moe, R. D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sikorski	
Davies	Knutson	Pehler	Solon	
Davis	Kroening	Penny	Spær	

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

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and waive the lie-over requirement. The motion prevailed.

CALENDAR

H. F. No. 284: A bill for an act relating to health; prescribing procedures for notification of parents, guardians, and conservators prior to performing abortions on certain persons; providing a penalty; amending Minnesota Statutes 1980, Section 144.343.

Mr. Waldorf moved that H. F. No. 284, No. 1 on the Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

H. F. No. 1022: A bill for an act relating to claims against the state; appropriating money 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Penny	Spear
Bang	Dieterich	Langseth	Peterson, C. C.	Stern
Belanger	Engler	Lantry	Peterson, R. W.	Stokowski
Benson	Frank	Lessard	Petty	Stumpf
Berg	Frederick	Lindgren	Pillsbury	Taylor
Berglin	Frederickson	Luther	Purfeerst	Tennessen
Bernhagen	Hanson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Renneke	Vega
Brataas	Humphrey	Moe, D. M.	Rued	Waldorf
Chmielewski	Johnson	Moe, R. D.	Schmitz	Wegener
Dahl	Keefe	Nelson	Setzepfandt	Willet
Davies	Knoll	Olhoft	Sikorski	
Davis	Knutson	Pehler	Solon	

So the bill passed and its title was agreed to.

H. F. No. 696: A bill for an act relating to the city of East Grand Forks; permitting the city to acquire and develop certain land for industrial purposes.

Was read the third time 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:

Ashbach	Dicklich	Knutson	Pehler	Sikorski
Bang	Dieterich	Kroening	Penny	Solon
Belanger	Engler	Langseth	Peterson, C. C.	Spear
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lessard	Petty	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Moe, D. M.	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davis	Knoll	Olhoft	Setzepfandt	Willet

Messrs. Davies, Merriam and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

CALL OF THE SENATE

Mr. Luther imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 306: A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Min-

nesota Statutes, Chapter 609.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 36 and nays 25, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Merriam	Petty	Vega
Chmielewski	Humphrey	Moe, D. M.	Sikorski	Waldorf
Dahl	Johnson	Nelson	Solon	Wegener
Davies	Kroening	Olhoft	Spear	Willet
Dicklich	Langseth	Pehler	Stern	
Dieterich	Lantry	Penny	Stokowski	
Frank	Luther	Peterson, C. C.	Stumpf	
Hanson	Menning	Peterson, R. W.	Tennessee	

Those who voted in the negative were:

Ashbach	Bertram	Frederickson	Lindgren	Rued
Bang	Brataas	Keefe	Pillsbury	Schmitz
Belanger	Davis	Knoll	Purfeerst	Setzepfandt
Benson	Engler	Knutson	Ramstad	Taylor
Bernhagen	Frederick	Lessard	Renneke	Ulland

So the bill passed and its title was agreed to.

H. F. No. 1044: A bill for an act relating to attachment; prescribing the grounds when a writ of attachment may be issued for purposes of securing property or acquiring quasi in rem jurisdiction over defendants; amending Minnesota Statutes 1980, Section 570.02.

Was read the third time 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	Dieterich	Langseth	Peterson, R. W.	Stern
Bang	Engler	Lantry	Petty	Stokowski
Belanger	Frank	Lessard	Pillsbury	Stumpf
Benson	Frederick	Lindgren	Purfeerst	Taylor
Berg	Frederickson	Luther	Ramstad	Tennessee
Bernhagen	Hanson	Menning	Renneke	Ulland
Bertram	Hughes	Merriam	Rued	Vega
Brataas	Humphrey	Nelson	Schmitz	Waldorf
Chmielewski	Johnson	Olhoft	Setzepfandt	Wegener
Dahl	Keefe	Pehler	Sikorski	Willet
Davies	Knutson	Penny	Solon	
Davis	Kroening	Peterson, C. C.	Spear	

So the bill passed and its title was agreed to.

H. F. No. 697: A bill for an act relating to agriculture; regulating alien ownership of land; providing for permanent resident alien and loss of status; amending Minnesota Statutes 1980, Section 500.221.

Was read the third time 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:

Ashbach	Frank	Lantry	Peterson, C. C.	Solon
Belanger	Frederick	Lessard	Peterson, R. W.	Stern
Benson	Frederickson	Lindgren	Pillsbury	Taylor
Berg	Hanson	Luther	Purfeerst	Waldorf
Bernhagen	Hughes	Menning	Ramstad	Wegener
Bertram	Humphrey	Merriam	Renneke	Willet
Dahl	Johnson	Nelson	Rued	
Davies	Keefe	Olhoft	Schmitz	
Davis	Kroening	Pehler	Setzepfandt	
Engler	Langseth	Penny	Sikorski	

Those who voted in the negative were:

Bang	Dicklich	Knutson	Spear	Tennessee
Berglin	Dieterich	Moe, D. M.	Stokowski	Ulland
Brataas	Knoll	Petty	Stumpf	Vega
Chmielewski				

So the bill passed and its title was agreed to.

H. F. No. 356: A bill for an act relating to crimes; specifying offenses relating to computers; providing penalties; proposing new law coded in Minnesota Statutes 1980, Chapter 609.

Was read the third time 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:

Ashbach	Davis	Kroening	Penny	Solon
Bang	Dicklich	Langseth	Peterson, C. C.	Spear
Belanger	Dieterich	Lantry	Peterson, R. W.	Stern
Benson	Engler	Lessard	Petty	Stokowski
Berg	Frank	Lindgren	Pillsbury	Stumpf
Berglin	Frederick	Luther	Purfeerst	Taylor
Bernhagen	Frederickson	Menning	Ramstad	Tennessee
Bertram	Hanson	Merriam	Renneke	Ulland
Brataas	Hughes	Moe, D. M.	Rued	Vega
Chmielewski	Johnson	Nelson	Schmitz	Waldorf
Dahl	Keefe	Olhoft	Setzepfandt	Wegener
Davies	Knutson	Pehler	Sikorski	Willet

So the bill passed and its title was agreed to.

H. F. No. 616: A bill for an act relating to commerce; requiring that consumer contracts be written in clear and coherent language; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 325G.

Was read the third time 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:

Ashbach	Brataas	Frank	Knoll	Menning
Bang	Chmielewski	Frederick	Knutson	Merriam
Belanger	Dahl	Frederickson	Kroening	Moe, D. M.
Benson	Davies	Hanson	Langseth	Nelson
Berg	Davis	Hughes	Lantry	Olhoft
Berglin	Dicklich	Humphrey	Lessard	Pehler
Bernhagen	Dieterich	Johnson	Lindgren	Penny
Bertram	Engler	Keefe	Luther	Peterson, C. C.

Peterson, R. W.	Renneke	Solon	Taylor	Wegener
Petty	Rued	Spear	Tennessen	Willet
Pillsbury	Schmitz	Stern	Ulland	
Purfeerst	Setzepfandt	Stokowski	Vega	
Ramstad	Sikorski	Stumpf	Waldorf	

So the bill passed and its title was agreed to.

H. F. No. 1301: A bill for an act relating to consumer protection; providing for a definition of building materials which may contain urea formaldehyde; providing for exceptions; amending Minnesota Statutes 1980, Section 325F.18, 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:

Ashbach	Dicklich	Kroening	Peterson, C. C.	Stern
Bang	Dieterich	Langseth	Peterson, R. W.	Stokowski
Belanger	Engler	Lantry	Petty	Stumpf
Benson	Frank	Lessard	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessen
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hanson	Menning	Renneke	Vega
Bertram	Hughes	Merriam	Rued	Waldorf
Brataas	Humphrey	Moe, D. M.	Schmitz	Wegener
Chmielewski	Johnson	Nelson	Setzepfandt	Willet
Dahl	Keefe	Olhoft	Sikorski	
Davies	Knoll	Pehler	Solon	
Davis	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 188: A bill for an act relating to financial institutions; increasing the maximum lawful interest rate chargeable by state banks and savings banks on certain transactions; amending Minnesota Statutes 1980, Section 48.195.

Was read the third time 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 17, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Knoll	Olhoft	Renneke
Bang	Davis	Knutson	Pehler	Rued
Belanger	Engler	Langseth	Penny	Schmitz
Benson	Frederick	Lantry	Peterson, C. C.	Setzepfandt
Berg	Frederickson	Lessard	Peterson, R. W.	Solon
Bernhagen	Hanson	Lindgren	Petty	Stern
Bertram	Hughes	Menning	Pillsbury	Taylor
Brataas	Humphrey	Merriam	Purfeerst	Tennessen
Dahl	Keefe	Nelson	Ramstad	Ulland

Those who voted in the negative were:

Berglin	Frank	Moe, D. M.	Stumpf	Willet
Chmielewski	Johnson	Sikorski	Vega	
Dicklich	Kroening	Spear	Waldorf	
Dieterich	Luther	Stokowski	Wegener	

So the bill passed and its title was agreed to.

H. F. No. 353: A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

Was read the third time 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 31, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Renneke	Vega
Benson	Frederick	Nelson	Rued	Wegener
Berg	Frederickson	Olhoft	Schmitz	Willett
Bernhagen	Hanson	Penny	Setzepfandt	
Bertram	Humphrey	Peterson, C. C.	Sikorski	
Chmielewski	Johnson	Pillsbury	Solon	
Davis	Langseth	Purfeerst	Taylor	

Those who voted in the negative were:

Bang	Dieterich	Lantry	Peterson, R. W.	Tennessee
Belanger	Frank	Lindgren	Petty	Ulland
Berglin	Hughes	Luther	Ramstad	Waldorf
Brataas	Keefe	Menning	Spear	
Dahl	Knoll	Merriam	Stern	
Davies	Knutson	Moe, D. M.	Stokowski	
Dicklich	Kroening	Pehler	Stumpf	

So the bill failed to pass.

H. F. No. 409: A bill for an act relating to agriculture; requiring department of agriculture approval and receipt of certain grain storage receipts; regulating the family farm security program; changing terms of members of the family farm advisory council; regulating denaturing of certain food; identifying fur pelts; amending Minnesota Statutes 1980, Sections 17.35, Subdivision 7; 31.095; 41.52, Subdivisions 5, 8 and 9; 41.54, Subdivision 2; 41.56, Subdivisions 1, 2 and 4; 41.58, Subdivision 2; 232.06, Subdivision 1; 233.03; 234.02; 236.03; and 290.08, Subdivision 24; repealing Minnesota Statutes 1980, Section 29.091.

Was read the third time 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	Dicklich	Kroening	Peterson, C. C.	Stern
Bang	Dieterich	Langseth	Peterson, R. W.	Stokowski
Belanger	Engler	Lantry	Petty	Stumpf
Benson	Frank	Lessard	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessee
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hanson	Menning	Renneke	Vega
Bertram	Hughes	Merriam	Rued	Wegener
Brataas	Humphrey	Moe, D. M.	Schmitz	Willett
Chmielewski	Johnson	Nelson	Setzepfandt	
Dahl	Keefe	Olhoft	Sikorski	
Davies	Knoll	Pehler	Solon	
Davis	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1205: A bill for an act relating to taxation; real property; allowing property used by certain disabled persons to qualify for 3cc classification; amending Minnesota Statutes 1980, Section 273.13, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Peterson, C. C.	Stern
Bang	Dieterich	Langseth	Peterson, R. W.	Stokowski
Belanger	Engler	Lantry	Petty	Stumpf
Benson	Frank	Lessard	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessee
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hanson	Menning	Renneke	Vega
Bertram	Hughes	Merriam	Rued	Wegener
Brataas	Humphrey	Moe, D. M.	Schmitz	Willet
Chmielewski	Johnson	Nelson	Setzepfandt	
Dahl	Keefe	Olhoft	Sikorski	
Davies	Knoll	Pehler	Solon	
Davis	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 571: A bill for an act relating to Goodhue county; authorizing an increase in the levy limit to allow a levy for county fairs.

Was read the third time 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	Dicklich	Kroening	Peterson, C. C.	Stern
Bang	Dieterich	Langseth	Peterson, R. W.	Stokowski
Belanger	Engler	Lantry	Petty	Stumpf
Benson	Frank	Lessard	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessee
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hanson	Menning	Renneke	Vega
Bertram	Hughes	Merriam	Rued	Wegener
Brataas	Humphrey	Moe, D. M.	Schmitz	Willet
Chmielewski	Johnson	Nelson	Setzepfandt	
Dahl	Keefe	Olhoft	Sikorski	
Davies	Knoll	Pehler	Solon	
Davis	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 161: A bill for an act relating to the city of Cloquet; permitting the city to contract, pay, and tax for certain public transportation services.

Was read the third time 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	Dicklich	Kroening	Peterson, C. C.	Stern
Bang	Dieterich	Langseth	Peterson, R. W.	Stokowski
Belanger	Engler	Lantry	Petty	Stumpf
Benson	Frank	Lessard	Pillsbury	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessee
Berglin	Frederickson	Luther	Ramstad	Ulland
Bernhagen	Hanson	Menning	Renneke	Vega
Bertram	Hughes	Merriam	Rued	Wegener
Brataas	Humphrey	Moe, D. M.	Schmitz	Willett
Chmielewski	Johnson	Nelson	Setzefandt	
Dahl	Keefe	Olhoft	Sikorski	
Davies	Knoll	Pehler	Solon	
Davis	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1125: A bill for an act relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; amending Minnesota Statutes 1980, Sections 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; repealing Minnesota Statutes 1980, Section 362.50, Subdivisions 6 and 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 54 and nays 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Knutson	Penny	Sikorski
Bang	Engler	Kroening	Peterson, C. C.	Solon
Belanger	Frank	Langseth	Peterson, R. W.	Stern
Benson	Frederick	Lantry	Petty	Stokowski
Berg	Frederickson	Lessard	Pillsbury	Taylor
Bernhagen	Hanson	Lindgren	Purfeerst	Tennessee
Bertram	Hughes	Luther	Ramstad	Ulland
Brataas	Humphrey	Menning	Renneke	Vega
Chmielewski	Johnson	Nelson	Rued	Wegener
Dahl	Keefe	Olhoft	Schmitz	Willett
Davis	Knoll	Pehler	Setzefandt	

Those who voted in the negative were:

Berglin	Dicklich	Moe, D. M.	Spear	Stumpf
Davies	Merriam			

So the bill passed and its title was agreed to.

S. F. No. 132: A bill for an act relating to retirement; Duluth teachers retirement fund association; authorizing an increase in retirement allowances and benefits for certain teachers; establishing a new coordinated retirement program within the retirement fund association; amending Minnesota Statutes 1980, Sections 354A.011, Subdivision 11; 354A.092; 354A.093; 354A.12, Subdivision 1; 354A.24; 354A.32; 354A.39; and 354A.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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knutson	Pehler	Sikorski
Bang	Dieterich	Kroening	Penny	Solon
Belanger	Engler	Langseth	Peterson, C. C.	Spear
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lessard	Petty	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Chmielewski	Humphrey	Merriam	Renneke	Ulland
Dahl	Johnson	Moe, D. M.	Rued	Vega
Davies	Keefe	Nelson	Schmitz	Wegener
Davis	Knoll	Olhoft	Setzepfandt	Willet

So the bill passed and its title was agreed to.

S. F. No. 315: A bill for an act relating to health; establishing a state advisory task force on epilepsy; 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knutson	Pehler	Solon
Bang	Dicklich	Kroening	Penny	Spear
Belanger	Dieterich	Langseth	Peterson, C. C.	Stern
Benson	Engler	Lantry	Peterson, R. W.	Stokowski
Berg	Frank	Lessard	Petty	Stumpf
Berglin	Frederick	Lindgren	Purfeerst	Taylor
Bernhagen	Frederickson	Luther	Ramstad	Tennessee
Bertram	Hanson	Menning	Renneke	Ulland
Brataas	Hughes	Merriam	Rued	Vega
Chmielewski	Humphrey	Moe, D. M.	Schmitz	Wegener
Dahl	Johnson	Nelson	Setzepfandt	Willet
Davies	Keefe	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

S. F. No. 120: A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 333.055, Subdivision 4; 333.19, Subdivision 1; 367.42, Subdivision 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 300, 302A, and 316; repealing Minnesota Statutes 1980, Sections 300.082 and 301.01 to 301.67.

Was read the third time 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	Chmielewski	Frederickson	Langseth	Olhoft
Bang	Dahl	Hanson	Lantry	Pehler
Belanger	Davies	Hughes	Lessard	Penny
Benson	Davis	Humphrey	Lindgren	Peterson, C. C.
Berg	Dicklich	Johnson	Luther	Peterson, R. W.
Berglin	Dieterich	Keefe	Menning	Petty
Bernhagen	Engler	Knoll	Merriam	Pillsbury
Bertram	Frank	Knutson	Moe, R. D.	Purfeerst
Brataas	Frederick	Kroening	Nelson	Ramstad

Renneke
Rued
Schmitz
Setzefandt

Sikorski
Solon
Spear

Stern
Stokowski
Stumpf

Taylor
Tennesen
Ulland

Vega
Wegener
Willet

So the bill passed and its title was agreed to.

RECESS

Mr. Moe, R. D. moved that the Senate do now recess until 1:45 p.m. The motion prevailed.

The hour of 1:45 p.m. having arrived, the President called the Senate to order.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Dahl introduced—

S.F. No. 1422: A bill for an act relating to motor vehicles; allowing the registrar of motor vehicles to issue amateur radio and personalized license plates to motorcycle owners; amending Minnesota Statutes 1980, Section 168.12, Subdivisions 2 and 2a.

Referred to the Committee on Transportation.

Messrs. Johnson, Dicklich and Ulland introduced—

S.F. No. 1423: A bill for an act relating to St. Louis county; providing for the tort liability of the St. Louis county promotional bureau.

Referred to the Committee on Judiciary.

Messrs. Davies, Keefe and Solon introduced—

S.F. No. 1424: A bill for an act relating to insurance; regulating minimum nonforfeiture benefits and reserves of life insurance policies and annuity contracts; amending Minnesota Statutes 1980, Sections 61A.24, Subdivisions 2, 4, 6, 9, 10, 11, 12, 13, 14, and by adding subdivisions; and 61A.25, Subdivisions 3, 3a, 4, 5, 7, and by adding subdivisions.

Referred to the Committee on Commerce.

Mr. Peterson, C.C. introduced—

S.F. No. 1425: A bill for an act relating to local improvements; establishing conditions for the special assessment of costs of operation; maintenance, or promotion of public improvements; amending Minnesota Statutes 1980, Sections 429.031; 429.051; and 429.061, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Local Government and Urban Affairs.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Taylor in the chair.

After some time spent therein, the committee arose, and Mr. Taylor reported that the committee had considered the following:

H. F. Nos. 1065, 1200, 1160 and 1163, which the committee recommends to pass.

H.F. No. 284, which the committee recommends to pass, subject to the following motion:

Mr. Waldorf moved that the amendment made to H.F. No. 284 by the Committee on Rules and Administration in the report adopted May 11, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S. F. No. 1131, which the committee recommends be returned to the Committee on Elections and Reapportionment.

S. F. No. 1084, which the committee recommends to pass with the following amendment offered by Mr. Stern:

Page 1, line 17, delete the new language

Page 1, delete line 18

Page 1, line 19, delete "*sale, the licensees may*" and insert "*The governing body of any municipality within the seven county metropolitan area, as defined in Minnesota Statutes, Section 473.121, Subdivision 2, may adopt an ordinance that allows the licensees to*"

The motion prevailed. So the amendment was adopted.

H. F. No. 678, which the committee recommends to pass with the following amendment offered by Mr. Kroening:

Amend the Schmitz amendment to H. F. No. 678, adopted by the Senate May 7, 1981, as follows:

After section 15, insert:

"Sec. 16. Minnesota Statutes 1980, Section 204A.06, Subdivision 1, is amended to read:

Subdivision 1. [BOUNDARIES.] Each town, each statutory city that is separated from the town for election purposes, and each city ward, shall constitute at least one election precinct. The council of each municipality shall prescribe the boundaries of the precincts and the number of voters therein, and may rearrange the precincts from time to time, except that no changes in precinct boundaries may be made during the period beginning January 1 in any year ending in seven and ending January 1 in any year ending in two. If during

the period beginning January 1 of a year ending in seven and ending January 1 of a year ending in two a municipality annexes an unincorporated area located in the same county as the municipality and adjacent to the corporate boundary, the annexed area may be included in the precinct immediately adjacent to it. During the period beginning January 1 in a year ending in seven and ending January 1 in a year ending in two, a municipality may establish new precincts lying entirely within any existing precinct for which the boundaries were established before that period; provided that: (a) the outer boundaries of the existing precinct are not altered and (b) the new precincts established within the existing precinct are assigned names that include the name of the existing precinct. *During a year ending in one, the council of each home rule charter city which elects councilmen by wards and which has a city election in the year ending in one may change precinct boundaries for the purpose of reapportioning wards. As soon as possible after legislative reapportionment, cities shall rearrange the precincts so that no precinct lies in more than one legislative district.*"

After section 19, insert:

"Sec. 21. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Renumber the sections in sequence

Amend the title as follows:

Line 1 of the title amendment, after "as amended;" insert "204A.06, Subdivision 1;"

The motion prevailed. So the amendment to the amendment was adopted.

S. F. No. 388, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 2, after line 21, insert:

"Sec. 3. [EXCEPTION.]

Notwithstanding sections 1 and 2, any employee determined to be a supervisory employee before the effective date of this act may continue to be included in a supervisory unit until his position or duties change by providing written notice to the director before September 15, 1981."

Renumber the sections in sequence

Page 2, line 23, delete "and 2" and insert ", 2 and 3"

The motion prevailed. So the amendment was adopted.

H. F. No. 1051, which the committee reports progress, subject to the following motions:

Mr. Benson moved to amend H.F. No. 1051, as amended pursuant to Rule 49, adopted by the Senate May 11, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1317.)

Page 5, after line 15, insert :

"The owner has a cause of action for civil damages against any person

whose action or inaction caused contamination of the well. The right of an owner to maintain a course of action as provided herein extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court shall award damages, reasonable attorneys' fees, and costs and disbursements."

The motion prevailed. So the amendment was adopted.

Mr. Ulland moved to amend H.F. No. 1051, as amended pursuant to Rule 49, adopted by the Senate May 11, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1317.)

Page 6, after line 24, insert:

"Sec. 10. Minnesota Statutes 1980, Section 156A.071, Subdivision 7, is amended to read:

Subd. 7. [PERMANENT AND TEMPORARY ABANDONMENT PROCEDURES.] Permanent and temporary abandonment of exploratory borings shall be accomplished ~~in the same manner as that prescribed for the abandonment of water wells~~ pursuant to rules adopted in accordance with this chapter."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after "4;" insert "156A.071, Subdivision 7;"

The motion prevailed. So the amendment was adopted.

Messrs. Johnson and Dicklich moved to amend H.F. No. 1051, as amended pursuant to Rule 49, adopted by the Senate May 11, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1317.)

Page 7, after line 4, insert:

"Sec. 11. [URANIUM DRILLING; MORATORIUM.]

In the counties of St. Louis, Aitkin, Kanabec and Crow Wing, there shall be a moratorium on uranium drilling until July 1, 1982 except with the permission of the surface property owner."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon insert "imposing a moratorium on certain uranium drilling;"

The motion prevailed. So the amendment was adopted.

Mr. Pehler moved to amend H.F. No. 1051, as amended pursuant to Rule 49, adopted by the Senate May 11, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1317.)

Page 4, after line 6, insert:

"Sec. 7. [156A.032] [GROUNDWATER THERMAL EXCHANGE; REPORT REQUIRED.]

By January 15, 1982, the commissioner shall provide a report to the legis-

lature on groundwater thermal exchange, to include potential environmental impact, other states' experiences, and recommendations for future state actions."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring a report to the legislature on groundwater thermal exchange;"

Page 1, line 11, before the period, insert "; proposing new law coded in Minnesota Statutes, Chapter 156A"

The motion prevailed. So the amendment was adopted.

H. F. No. 1051 was then progressed.

H.F. No. 673, which the committee recommends to pass, subject to the following motions:

Mr. Tennesen moved that the amendment made to H. F. No. 673 by the Committee on Rules and Administration in the report adopted May 5, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Tennesen then moved to amend H. F. No. 673 as follows:

Page 4, line 16, delete "licensees" and insert "collection agencies"

Page 4, lines 24 and 26, delete "licensee" and insert "collection agency"

Page 4, line 31, delete "in the same manner as a summons" and insert "by certified mail"

The motion prevailed. So the amendment was adopted.

H. F. No. 1048, which the committee recommends to pass with the following amendments offered by Mr. Davies:

Mr. Davies moved to amend H.F. No. 1048, as amended pursuant to Rule 49, adopted by the Senate May 11, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1252.)

Page 5, line 16, delete "holds" and insert "is required to hold"

Page 7, line 29, delete "directive" and insert "order"

The motion prevailed. So the amendment was adopted.

Mr. Davies then moved to amend H.F. No. 1048, as amended pursuant to Rule 49, adopted by the Senate May 11, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1252.)

Page 13, line 5, after "days" insert ", which may be extended as determined by the commissioner,"

Page 18, line 1, after "penalty" insert "appropriate to the offense,"

The motion prevailed. So the amendment was adopted.

S. F. No. 69, which the committee reports progress, after the following

motion:

The question was taken on the recommendation to pass S. F. No. 69 .

The roll was called, and there were yeas 22 and nays 27, as follows:

Those who voted in the affirmative were:

Belanger	Hanson	Peterson, R. W.	Sieloff	Stumpf
Brataas	Lessard	Petty	Sikorski	Tennessee
Dahl	Lindgren	Pillsbury	Solon	
Davis	Moe, R. D.	Renneke	Spear	
Davis	Peterson, C.C.	Setzpfandt	Stern	

Those who voted in the negative were:

Benson	Frank	Knutson	Peterson, D.L.	Waldorf
Berg	Frederick	Kroening	Ramstad	Wegener
Berglin	Frederickson	Lantry	Rued	Willet
Bernhagen	Humphrey	Luther	Stokowski	
Bertram	Keefe	Pehler	Ulland	
Chmielewski	Knoll	Penny	Vega	

The motion did not prevail. S. F. No. 69 was then progressed.

On motion of Mr. Taylor, 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. Moe, R.D. 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 that the House refuses to concur in the Senate amendments to House File No. 487:

H. F. No. 487: A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, Subdivision 6.

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

Harens, Kostohryz and Drew have been appointed as such committee on the part of the House.

House File No. 487 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, 1981

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 487, 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. 691:

H. F. No. 691: A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sections 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

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

Zubay, Jude and O'Connor have been appointed as such committee on the part of the House.

House File No. 691 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, 1981

Mrs. Brataas moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 691, 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. 1190:

H. F. No. 1190: A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

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

Begich, Hanson and Wieser have been appointed as such committee on the part of the House.

House File No. 1190 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, 1981

Mr. Johnson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1190, 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. 1445:

H. F. No. 1445: A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivision 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Anderson, I.; Tomlinson; Eken; Novak and Sieben, H., have been appointed as such committee on the part of the House.

House File No. 1445 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, 1981

Mr. Johnson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1445, 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 has adopted the recommendation and report of the Conference Committee on House File No. 829, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 829 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 12, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 829

A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

May 8, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 829, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: (Signed) John J. Sarna, Paul McCarron, Bob Anderson

Senate Conferees: (Signed) Don Frank, Gene Merriam, Anne K. Stokowski

Mr. Frank moved that the foregoing recommendations and Conference Committee Report on H. F. No. 829 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. 829 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 21, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Lessard	Pehler	Stern
Chmielewski	Hughes	Lindgren	Penny	Stokowski
Dahl	Humphrey	Luther	Peterson, C. C.	Stumpf
Davies	Johnson	Merriam	Petty	Tennessen
Davis	Kroening	Moe, D. M.	Setzepfandt	Vega
Dicklich	Langseth	Moe, R. D.	Solon	Waldorf
Frank	Lantry	Olhoft	Spear	Willet

Those who voted in the negative were:

Belanger	Brataas	Keefe	Ramstad	Ulland
Benson	Dieterich	Knutson	Renneke	
Berg	Engler	Peterson, D. L.	Rued	
Bernhagen	Frederick	Peterson, R. W.	Sieloff	
Bertram	Frederickson	Pillsbury	Taylor	

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 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. 359: A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting

subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

There has been appointed as such committee on the part of the House:
Simoneau, Rice, Begich, Reif and Norton.

Senate File No. 359 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1005 and 295.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 12, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 1005: A bill for an act relating to housing; authorizing the board of the Minneapolis municipal employees retirement fund to invest funds with the Minneapolis-St. Paul family housing fund; authorizing the housing finance agency to use temporary rulemaking to define certain terms; providing for a revolving account; permitting certain loans; limiting the dollar amount of certain loans; limiting the maximum purchase price or appraised value of certain dwelling units financed with local bond proceeds; providing for the allocation of mortgage subsidy bonds; appropriating money; amending Minnesota Statutes 1980, Sections 422A.05, by adding a subdivision; 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivisions 17 and 19, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; 462C.03, by adding a subdivision; 462C.05, Subdivision 3; 462C.08; and proposing new law coded in Minnesota Statutes, Chapter 462C; repealing Minnesota Statutes 1980, Section 462A.21, Subdivision 11.

Mr. Kroening moved that H. F. No. 1005 be laid on the table. The motion prevailed.

H. F. No. 295: A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

Referred to the Committee on Finance.

RECESS

Mr. Moe, R.D. 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. Moe, R.D. from the Subcommittee on Committees recommends that

the following Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1445: Messrs. Johnson; Hanson; Peterson, C.C.; Ms. Berglin and Mr. Pehler.

H. F. No. 936: Messrs. Hanson, Lessard and Willet.

H. F. No. 586: Ms. Berglin, Messrs. Frederickson and Frank.

S. F. No. 1212: Messrs. Davis, Pehler and Peterson, R.W.

S. F. No. 452: Messrs. Spear; Moe, D.M. and Dahl.

S. F. No. 1132: Messrs. Hughes, Merriam and Lindgren.

H. F. No. 817: Messrs. Purfeerst, Spear and Mrs. Brataas.

H. F. No. 2: Messrs. Waldorf, Hanson, Keefe, Dahl and Lindgren.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Wednesday, May 13, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-THIRD DAY

St. Paul, Minnesota, Wednesday, May 13, 1981

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Arnold H. Heumann.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf.
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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

Mrs. Brataas, Messrs. Frederick, Johnson and Purfeerst were excused from the Session of today from 12:00 noon to 12:15 p.m. Mr. Peterson, D.L. was excused from the Session of today from 11:00 a.m. to 3:00 p.m. Mr. Dieterich was excused from the Session of today from 2:00 to 4:00 p.m. Mr. Sieloff was excused from the Session of today from 3:15 to 4:15 p.m. Mr. Knoll was excused from the Session of today at 4:45 p.m.

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. 502, 1174 and 903.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981

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. 227: A bill for an act relating to the organization and operation of government; creating a legislative commission on metropolitan governance; requiring a study of relationships among metropolitan institutions and agencies of government; specifying other duties; mandating a report to the legislature.

Senate File No. 227 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 227 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 227 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 19, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Kronebusch	Pehler	Sikorski
Bang	Davis	Langseth	Penny	Stern
Belanger	Engler	Lantry	Peterson, C. C.	Stumpf
Benson	Frank	Lessard	Pillsbury	Vega
Berg	Frederickson	Lindgren	Ramstad	Wegener
Bernhagen	Hanson	Menning	Renneke	Willet
Bertram	Hughes	Moe, R. D.	Rued	
Brataas	Keefe	Nelson	Schmitz	
Chmielewski	Knutson	Olhoft	Setzpfandt	

Those who voted in the negative were:

Berglin	Frederick	Merriam	Sieloff	Tennessee
Dahl	Knoll	Moe, D. M.	Spear	Ulland
Dicklich	Kroening	Peterson, R. W.	Stokowski	Waldorf
Dieterich	Luther	Petty	Taylor	

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. 338: A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

Senate File No. 338 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981

CONCURRENCE AND REPASSAGE

Mr. Nelson moved that the Senate concur in the amendments by the House to S. F. No. 338 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 338: A bill for an act relating to employment; regulating certain hours of work and rates of pay; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Sections 177.25, Subdivision 1; and 179.63, Subdivision 7.

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:

Bang	Engler	Lessard	Petty	Stokowski
Belanger	Frank	Lindgren	Pillsbury	Stumpf
Benson	Frederick	Luther	Purfeerst	Taylor
Berg	Frederickson	Menning	Ramstad	Tennessee
Berglin	Hanson	Merriam	Renneke	Ulland
Bernhagen	Hughes	Moe, D. M.	Rued	Vega
Bertram	Humphrey	Moe, R. D.	Schmitz	Waldorf
Brataas	Keefe	Nelson	Setzepfandt	Wegener
Chmielewski	Knoll	Olhoft	Sieloff	Willet
Dahl	Knutson	Pehler	Sikorski	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, C. C.	Spear	
Dieterich	Lantry	Peterson, R. W.	Stern	

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. 980: A bill for an act relating to state lands; providing for the lease of certain lands to the city of Hastings.

Senate File No. 980 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981

CONCURRENCE AND REPASSAGE

Mr. Vega moved that the Senate concur in the amendments by the House to

S. F. No. 980 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 980 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 23, as follows:

Those who voted in the affirmative were:

Belanger	Frank	Lantry	Penny	Solon
Berglin	Hanson	Luther	Peterson, C. C.	Stern
Bertram	Hughes	Manning	Peterson, R. W.	Stokowski
Chmielewski	Johnson	Merriam	Petty	Stumpf
Dahl	Knoll	Moe, D. M.	Purfeerst	Vega
Dicklich	Knutson	Moe, R. D.	Schmitz	Waldorf
Dieterich	Kroening	Nelson	Setzpfandt	Wegener
Engler	Langseth	Olhoft	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Brataas	Keefe	Ramstad	Taylor
Bang	Davies	Kronebusch	Renneke	Tennessee
Benson	Davis	Lindgren	Rued	Ulland
Berg	Frederick	Pehler	Sieloff	
Bernhagen	Frederickson	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 Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1043: A bill for an act relating to administrative procedures; providing for changes in the recompilation, publication, and drafting of administrative rules; modifying the powers of the revisor of statutes with respect to compiling, publishing, and drafting of administrative rules; clarifying which rules are to be published; fixing a common nomenclature for certain steps in the administrative process; extending statutory standard definitions of terms and principles of construction to administrative rules; providing for the effect of transferring responsibilities between agencies; extending the jurisdiction of the LCRAR; clarifying when a rule suspended by the LCRAR becomes effective; modifying certain provisions of the administrative procedure act; removing certain obsolete terms and clarifying certain language; amending Minnesota Statutes 1980, Sections 3.965, Subdivision 2; 15.0411, Subdivisions 2 and 3; 15.0412, Subdivisions 1, 1a, 2a, 4, 4c, 4d, 4e, 4f, 4g, 4h, 5, 7, 8, 9 and 10; 15.0413; 15.0415; 16.86, Subdivision 2; 62E.10, Subdivision 8; 121.931, Subdivision 8; 121.932, Subdivision 3; 169.128; 182.655, Subdivision 1; 238.09, Subdivision 9; 271.06, Subdivision 7; 299A.03, Subdivision 6; 299F.19, Subdivision 6; 360.015, Subdivisions 4, 5 and 16; 645.071, Subdivision 1; 645.08; 645.11; 645.12, Subdivision 1; 645.13; 645.14; 645.15; 645.18; 645.19; 645.20; 645.21; 645.23; 645.24; 645.26, Subdivi-

sions 1 and 2; 645.31, Subdivision 1; 645.34; 645.35; 645.36; 645.37; 645.39; 645.40; 645.41; 645.44, Subdivision 1; 645.45; 645.451, Subdivision 1; 645.46; 645.48; 648.31, Subdivision 6; 648.50, Subdivisions 1, 2, 3, 4 and 6, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 15 and 645; repealing Minnesota Statutes 1980, Sections 15.015 to 15.04; 174.06, Subdivision 6; and 245.04 to 245.07.

Senate File No. 1043 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981

CONCURRENCE AND REPASSAGE

Mr. Olhoff moved that the Senate concur in the amendments by the House to S. F. No. 1043 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1043: A bill for an act relating to administrative procedures; providing for changes in the recompilation, publication, and drafting of administrative rules; modifying the powers of the revisor of statutes with respect to compiling, publishing, and drafting of administrative rules; clarifying which rules are to be published; fixing a common nomenclature for certain steps in the administrative process; extending statutory standard definitions of terms and principles of construction to administrative rules; providing for the effect of transferring responsibilities between agencies; extending the jurisdiction of the Legislative Commission to Review Administrative Rules; clarifying when a rule suspended by the Legislative Commission to Review Administrative Rules becomes effective; allowing an agency to enact a rule repealed by the legislature and the Legislative Commission to Review Administrative Rules to suspend it again; modifying certain provisions of the administrative procedure act; removing certain obsolete terms and clarifying certain language; amending Minnesota Statutes 1980, Sections 3.965, Subdivision 2; 15.0411, Subdivisions 2 and 3; 15.0412, Subdivisions 1, 1a, 2a, 4, 4c, 4d, 4e, 4f, 4g, 4h, 5, 7, 8, 9 and 10; 15.0413; 15.0415; 16.86, Subdivision 2; 62E.10, Subdivision 8; 121.931, Subdivision 8; 121.932, Subdivision 3; 169.128; 182.655, Subdivision 1; 238.09, Subdivision 9; 271.06, Subdivision 7; 299A.03, Subdivision 6; 299F.19, Subdivision 6; 360.015, Subdivisions 4, 5 and 16; 648.31, Subdivision 6; 648.50, Subdivisions 1, 2, 3, 4 and 6, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 15 and 645; repealing Minnesota Statutes 1980, Sections 15.015 to 15.04; 15.0412, Subdivision 4a; 174.06, Subdivision 6; and 245.04 to 245.07.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Bertram	Dieterich	Johnson	Lessard
Bang	Brataas	Engler	Keefe	Lindgren
Belanger	Chmielewski	Frank	Knoll	Luther
Benson	Dahl	Frederick	Kroening	Menning
Berg	Davies	Hanson	Kronebusch	Merriam
Berglin	Davis	Hughes	Langseth	Moe, D. M.
Bernhagen	Dicklich	Humphrey	Lantry	Moe, R. D.

Nelson	Petty	Schmitz	Stern	Vega
Olhoft	Pillsbury	Setzepfandt	Stokowski	Waldorf
Pehler	Purfeerst	Sieloff	Stumpf	Wegener
Penny	Ramstad	Sikorski	Taylor	Willet
Peterson, C. C.	Renneke	Solon	Tennesen	
Peterson, R. W.	Rued	Spear	Ulland	

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. 1154: A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

Senate File No. 1154 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1981.

Mr. Chmielewski moved that S. F. No. 1154 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. 1098.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 12, 1981

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 553, 1139 and 942.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 12, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 1098: A bill for an act relating to the state auditor; providing funding to be used to prepare the report to the legislature on the general financial condition of the various volunteer firefighters' relief associations; appropriating money.

Referred to the Committee on Finance.

H. F. No. 553: A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the

motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund and the highway user tax distribution fund for a period of four years, and thereafter all the proceeds to be deposited in the highway user tax distribution fund; authorizing the issuance of state bonds and appropriating the proceeds for the purpose of providing money to acquire and better public land, buildings, and capital improvements comprising key bridges, segments of interstate highway, and interstate highway substitution projects needs for an integrated state transportation system; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the city of Moorhead to increase its mill rate for public transportation services; appropriating money; amending Minnesota Statutes 1980, Sections 84.87, Subdivision 2; 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h and by adding a subdivision; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.11; 169.79; 169.95; 171.02, Subdivision 3; 171.04; 171.06, Subdivisions 1, 2, 4 and by adding a subdivision; 171.07, Subdivisions 1 and 3; 171.17; 171.29; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 174.50, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision 5; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapter 192, Section 1; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7.

Mrs. Lantry moved that H. F. No. 553 be laid on the table. The motion prevailed.

H. F. No. 1139: A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; creating certain judicial positions to be filled by election; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; authorizing the judges of the courts within each judicial district to elect to form one unified court; creating an appellate division of the district court; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.01; 484.70, Subdivision 1, and by adding subdivisions; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.10; proposing new law coded in Minnesota Statutes, Chapter 484; proposing new law coded as Minnesota Statutes, Chapter 484A; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6.

Mr. Tennessen moved that H. F. No. 1139 be referred to the Committee on Rules and Administration for comparison with S. F. No. 1094. The motion prevailed.

H. F. No. 942: A bill for an act relating to welfare; clarifying certain provisions for determination of cost of care at state hospitals; directing the commissioner of public welfare to promulgate rules; changing the responsibility of relatives under certain circumstances; altering the method of charging for outpatient care; giving claims against estates of deceased patients or responsible relatives preferred status; amending Minnesota Statutes 1980, Sections 246.50, Subdivision 5; 246.51; 246.53; and 487.39, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

REPORTS OF COMMITTEES

Mr. Hanson moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 65. The motion prevailed.

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 807: A bill for an act relating to penalties for crimes; creating the Minnesota law enforcement training account and the crime victim assistance account; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 299B.06; 588.01, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 626.

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

Page 1, delete lines 11 to 27

Page 2, delete lines 1 to 7 and insert:

“Section 1. [626.86] [PEACE OFFICERS TRAINING ACCOUNT.]

Money appropriated for peace officers training shall be expended as follows:”

Page 2, delete section 2

Page 3, line 1, delete “626.862” and insert “626.861”

Page 3, lines 3 and 4, delete “*On and after the effective date of sections 1, 2, and 3,*”

Page 3, line 36, delete “*Minnesota Statutes,*”

Page 4, line 3, delete “*section 3,*”

Page 4, line 13, delete “*Minnesota law enforcement*” and insert “*general fund for peace officers*”

Page 4, line 14, delete everything after “*training*”

Page 4, line 15, delete everything before the comma

Page 4, line 16, after the period, insert “*The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.*”

Page 4, delete lines 34 to 36

Page 5, delete lines 1 to 21 and insert:

"Sec. 4. Minnesota Statutes 1980, Section 626.845, Subdivision 1, is amended to read:

Subdivision 1. The board shall have the following powers and duties:

(a) To certify peace officers' training schools or programs administered by state, county and municipalities located within this state in whole or in part no later than 90 days after receipt of an application for certification. The reasons for noncertification of any school or program or part thereof shall be transmitted to the school within 90 days and shall contain a detailed explanation of the reasons for which the school or program was disapproved and an explanation of what supporting material or other requirements are necessary for the board to reconsider. Disapproval of a school or program shall not preclude the reapplication for certification of the school or program;

(b) To issue certificates to schools, and to revoke such certification when necessary to maintain the objectives and purposes of sections 626.841 to 626.855;

(c) To certify, as qualified, instructors at peace officer training schools, and to issue appropriate certificates to such instructors;

(d) To license peace officers who have satisfactorily completed certified basic training programs, 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 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 standards and training;

(i) To perform such other acts as may be necessary and appropriate to carry out the powers and duties as set forth in the provisions of sections 626.841 to 626.855;

(j) To coordinate the provision, on a regional basis, of skills oriented basic training courses to graduates of certified law enforcement training schools or programs; and

(k) To"

Page 5, line 22, delete "(f)"

Page 5, lines 24 and 25, delete "*from the crime victims assistance account*" and insert "*for peace officers training*"

Page 5, line 26, delete "*from that account*" and insert "*for that purpose*"

Page 5, delete lines 28 to 36

Page 6, delete lines 1 to 20

Page 7, line 23, delete "3" and insert "2"

Page 7, after line 23, insert:

"Sec. 6. [APPROPRIATION.]

The sum of \$1,000,000 is appropriated from the general fund to the peace officers training account created in section 1, to be available for the fiscal year ending June 30, 1983."

Page 7, line 25, delete "Sections 1 to 6 are" and insert "This act is"

Page 7, delete lines 26 to 29

Page 7, line 30, delete everything before "applies"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "creating the"

Page 1, delete line 3

Page 1, line 4, delete everything before the first semicolon and insert "authorizing penalty assessments for peace officers training"

Page 1, line 6, delete "299B.06;" and after the semicolon at the end of the line, insert "626.845, Subdivision 1;"

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 1094: A bill for an act relating to courts; providing for certain reorganization of the court system in the state; providing that Hennepin and Ramsey municipal courts shall also be probate courts; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; abolishing the office of court commissioner; providing for continuance of the Ramsey county court commissioner position for a limited time; changing the jurisdiction of county courts and county municipal courts; providing for the prosecution of gross misdemeanors by municipalities; creating certain judicial positions; abolishing certain judicial positions by attrition; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.03, by adding a subdivision; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 487.25, Subdivision 10; 488A.01, Subdivisions 4, 6, and 8; 488A.18, Subdivisions 4, 7, 9, and 13; 488A.27, Subdivision 11; 489.01; 525.10; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; and 525.04.

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

Page 12, line 14, delete "June 30, 1978" and insert "August 15, 1980"

Page 13, line 10, after the dollar sign, insert "756,000"

Page 13, line 12, before the period, insert "*, to be available for the fiscal year ending June 30 in the years indicated*"

Page 13, after line 12, insert:

" 1982	1983
\$215,000	\$541,000"

Page 13, line 16, before the period, insert "*, except that three of the new judge positions created by section 1 in the fourth judicial district and three of the new judge positions created by section 1 in the tenth judicial district shall not be filled until July 1, 1982*"

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

Mr. Willet from the Committee on Finance, to which was re-referred

H. F. No. 3: A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

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

Page 2, line 12, delete "*chronically*" and delete "*acutely*"

Page 3, line 9, after "*and*" delete the comma

Page 4, lines 16 and 17, reinstate the stricken language

Page 4, line 17, delete "*which*" and insert "*. The commissioner shall not promulgate rules that*"

Page 7, line 4, delete everything after the period

Page 7, delete lines 5 to 12

Page 11, line 36, after "*achievement*" insert "*center*"

Page 17, after line 24, insert:

"The commissioner shall promulgate temporary and permanent rules in accordance with section 15.0412 to implement this section. No more than 7 percent of any grant shall be used for the grantee's administration expenses."

Delete the amendment to page 17, line 35, made by the Committee on Health, Welfare and Corrections, adopted by the Senate April 29, 1981

Page 17, line 35, reinstate the stricken "*MAY MAKE*"

Page 17, line 36, after the stricken "*CENTERS*" insert "*CENTER SER-*

VICES" and reinstate the stricken "FOR THE MENTALLY RETARDED AND CEREBRAL"

Page 18, line 1, reinstate the stricken language and delete the new language

Page 18, line 5, before "services" insert "center"

Page 18, line 8, reinstate the stricken language and delete the new language

Page 18, line 9, after the stricken "the" insert "services to"

Page 18, line 9, reinstate the stricken "mentally retarded and cerebral palsied" and delete "services" and insert "persons"

Page 18, line 13, reinstate the stricken "select" and reinstate the stricken "applicants for"

Page 18, reinstate line 14

Page 18, line 15, reinstate the stricken "3," and before "administer" insert "who" and before "services" insert "center"

Page 18, line 15, delete "and" and insert "The county board shall ensure that"

Page 18, line 16, delete "provide for" and after "transportation" insert "is provided"

Page 18, line 17, delete "if" and insert a period

Page 18, delete lines 18 and 19

Page 18, line 20, delete everything before "The"

Page 18, line 21, delete "and"

Page 18, line 22, delete "transportation"

Page 18, line 28, delete "administered by" and insert "delivered under contract with"

Page 18, line 34, strike "funds to" and insert "money for"

Page 18, line 35, reinstate the stricken "center"

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

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

S. F. No. 1129: A bill for an act relating to taxation; exempting certain airport property of municipalities from the property user tax on exempt property; amending Minnesota Statutes 1980, Section 272.01, Subdivision 2.

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

Page 1, line 23, delete "municipality" and insert "city, town, county or group thereof but not the metropolitan airports commission"

Page 2, line 2, delete "or (3)" and insert "; provided that" and delete "exempt from ad valorem taxes or taxes"

Page 2, line 3, delete "in lieu thereof"

Page 2, line 5, after "*purposes*" insert "*shall not be exempt*"

Page 2, after line 18, insert:

"Sec. 2. Minnesota Statutes 1980, Section 360.035, is amended to read:
360.035 [EXEMPTION FROM TAXATION.]

Any properties, real or personal, acquired, owned, leased, controlled, used, or occupied by a municipality for any of the purposes of sections 360.011 to 360.076, are declared to be acquired, owned, leased, controlled, used, or occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any of its political subdivisions. Nothing contained in sections 360.011 to 360.076 shall be construed as exempting properties, real or personal, leased from the municipality to a tenant or lessee who is a private person, association, or corporation from assessments or taxes. ~~If any such Leased municipal airport property is taxable to the lessee, the municipality that is not located at the airport operated by the metropolitan airports commission shall not be subject to payment of any portion of rentals under section 272.68, subdivision 3.~~"

Page 2, line 20, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "*Section*" and insert "*Sections*" and after "*2*" insert "*; and 360.035*"

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

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

S. F. No. 1156: A bill for an act relating to port authorities; clarifying the exemption of a special county levy for a port authority from certain levy limitations; amending Minnesota Statutes 1980, Section 458.14.

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

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was referred

S. F. No. 1370: A resolution declaring Raoul Wallenberg to be an honorary citizen of the State of Minnesota and memorializing the Union of Soviet Socialist Republics to return him to his native country.

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

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 65: A bill for an act relating to the attorney general; providing that the attorney general may render bond counsel services to state agencies and political subdivisions upon request; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 8.

Reports the same back with the recommendation that the report from the Committee on Finance, shown in the Journal for May 11, 1981, be adopted; that committee recommendation being "the bill be amended and when so amended the bill be re-referred to the Committee on Governmental Operations".

MINORITY REPORT

I, the undersigned, a member of the Committee on Rules and Administration, to which was referred

S. F. No. 65: A bill for an act relating to the attorney general; providing that the attorney general may render bond counsel services to state agencies and political subdivisions upon request; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 8.

as a minority report, do hereby report the same back with the recommendation that the report from the Committee on Finance shown in the Journal for May 11, 1981, be amended to read:

"the bill be amended and when so amended the bill be placed on General Orders".

Jack Davies

Mr. Davies moved that the committee reports and the Minority Report on S. F. No. 65 be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 807, 1094, 1129, 1156 and 1370 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. No. 3 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Peterson, C.C. moved that the name of Mrs. Stokowski be added as co-author to S. F. No. 974. The motion prevailed.

Mr. Moe, D. M. moved that the name of Mrs. Stokowski be added as co-author to S. F. No. 983. The motion prevailed.

Mr. Renneke moved that the name of Mrs. Stokowski be added as co-author to S. F. No. 1293. The motion prevailed.

Mr. Pehler moved that the name of Mr. Bang be added as co-author to S. F. No. 1414. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and waive the lie-over requirement. The motion prevailed.

CALENDAR

H. F. No. 284: A bill for an act relating to health; prescribing procedures for

notification of parents, guardians, and conservators prior to performing abortions on certain persons; providing a penalty; amending Minnesota Statutes 1980, Section 144.343.

Was read the third time 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 15, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Lantry	Peterson, C. C.	Stumpf
Benson	Hanson	Lessard	Ramstad	Taylor
Berg	Hughes	Lindgren	Renneke	Vega
Bernhagen	Humphrey	Luther	Rued	Waldorf
Bertram	Keefe	Menning	Schmitz	Wegener
Chmielewski	Knoll	Merriam	Setzepfandt	Willet
Dahl	Knutson	Moe, R. D.	Sieloff	
Davis	Kroening	Olhoft	Sikorski	
Engler	Kronebusch	Pehler	Solon	
Frank	Langseth	Penny	Stokowski	

Those who voted in the negative were:

Ashbach	Davis	Moe, D. M.	Petty	Stern
Bang	Dicklich	Nelson	Pillsbury	Tennessee
Berglin	Dieterich	Peterson, R. W.	Spear	Ulland

So the bill passed and its title was agreed to.

S. F. No. 1084: A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1980, Section 340.14, 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 37 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Luther	Purfeerst	Stern
Bang	Hughes	Merriam	Ramstad	Stokowski
Belanger	Johnson	Moe, D. M.	Rued	Stumpf
Berglin	Keefe	Moe, R. D.	Schmitz	Tennessee
Dahl	Knoll	Nelson	Sieloff	Wegener
Dicklich	Kronebusch	Peterson, R. W.	Sikorski	
Dieterich	Lantry	Petty	Solon	
Engler	Lessard	Pillsbury	Spear	

Those who voted in the negative were:

Benson	Davis	Langseth	Peterson, C. C.	Waldorf
Berg	Frank	Lindgren	Renneke	Willet
Bernhagen	Frederickson	Menning	Setzepfandt	
Bertram	Humphrey	Olhoft	Taylor	
Chmielewski	Knutson	Pehler	Ulland	
Davis	Kroening	Penny	Vega	

So the bill passed and its title was agreed to.

H. F. No. 678: A bill for an act relating to elections; changing certain

election procedures; requirements and time limits; amending Minnesota Statutes 1980, Sections 201.071, Subdivision 1; 202A.26, Subdivision 1; 203A.22, Subdivision 4; 203A.31, Subdivisions 1 and 3; 203A.32; 204A.04, Subdivision 1; 204A.13, Subdivision 1; 204A.17, Subdivision 1; 204A.53, Subdivision 2; 204A.54, Subdivision 1; 205.03, Subdivisions 1 and 3; 207.03, Subdivision 1; 207.04, Subdivision 1; 207.20, Subdivision 1; and 209.02, Subdivision 4; repealing Minnesota Statutes 1980, Sections 201.091, Subdivision 5; and 202A.54.

Was read the third time 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	Dieterich	Lantry	Petty	Stokowski
Bang	Engler	Lessard	Pillsbury	Stumpf
Belanger	Frank	Lindgren	Purfeerst	Taylor
Benson	Frederickson	Luther	Ramstad	Tennessee
Berg	Hanson	Merriam	Renneke	Ulland
Berglin	Hughes	Moe, D.M.	Rued	Vega
Bernhagen	Humphrey	Moe, R.D.	Schmitz	Waldorf
Bertram	Johnson	Nelson	Setzepfandt	Wegener
Chmielewski	Keefe	Olhoft	Sieloff	Willet
Dahl	Knoll	Pehler	Sikorski	
Davies	Knutson	Penny	Solon	
Davis	Kroening	Peterson, C.C.	Spear	
Dicklich	Langseth	Peterson, R.W.	Stern	

So the bill passed and its title was agreed to.

S. F. No. 388: A bill for an act relating to public employment labor relations; modifying the definition of non-essential supervisory employees; amending Minnesota Statutes 1980, Sections 179.63, Subdivision 9; and 179.71, 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 35 and nays 27, as follows:

Those who voted in the affirmative were:

Berglin	Humphrey	Luther	Peterson, R.W.	Stokowski
Chmielewski	Johnson	Merriam	Petty	Stumpf
Dahl	Knoll	Moe, D.M.	Purfeerst	Ulland
Davis	Kroening	Moe, R.D.	Sikorski	Vega
Dicklich	Langseth	Pehler	Solon	Waldorf
Frank	Lantry	Penny	Spear	Wegener
Hanson	Lessard	Peterson, C.C.	Stern	Willet

Those who voted in the negative were:

Ashbach	Bertram	Hughes	Olhoft	Sieloff
Bang	Brataas	Keefe	Pillsbury	Taylor
Belanger	Davies	Knutson	Ramstad	Tennessee
Benson	Engler	Kronebusch	Renneke	
Berg	Frederick	Lindgren	Rued	
Bernhagen	Frederickson	Menning	Schmitz	

So the bill passed and its title was agreed to.

RECONSIDERATION

Mr. Peterson, C. C. moved that the vote whereby H. F. No. 284 was passed by the Senate on May 13, 1981, be now reconsidered. The motion prevailed.

H. F. No. 284: A bill for an act relating to health; prescribing procedures for notification of parents, guardians, and conservators prior to performing abortions on certain persons; providing a penalty; amending Minnesota Statutes 1980, Section 144.343.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 16, as follows:

Those who voted in the affirmative were:

Belanger	Frederick	Kronebusch	Pehler	Sikorski
Benson	Frederickson	Langseth	Penny	Solon
Berg	Hanson	Lantry	Peterson, C.C.	Stokowski
Bernhagen	Hughes	Lessard	Purfeerst	Stumpf
Bertram	Humphrey	Lindgren	Ramstad	Taylor
Chmielewski	Johnson	Luther	Renneke	Vega
Dahl	Keefe	Menning	Rued	Waldorf
Davis	Knoll	Merriam	Schmitz	Wegener
Engler	Knutson	Moe, R.D.	Setzepfandt	Willet
Frank	Kroening	Olhoft	Sieloff	

Those who voted in the negative were:

Ashbach	Davies	Moe, D.M.	Petty	Stern
Bang	Dicklich	Nelson	Pillsbury	Tennessee
Berglin	Dieterich	Peterson, R.W.	Spear	Ulland
Brataas				

So the bill passed and its title was agreed to.

H. F. No. 1065: A bill for an act relating to public utilities; extending an option as to rate regulation by the public utilities commission to certain small telephone companies; amending Minnesota Statutes 1980, Sections 237.01; 237.075, Subdivision 9; and 237.081, Subdivision 1a.

With the unanimous consent of the Senate, Mr. Peterson, C. C. moved that the amendment made to H.F. No. 1065 by the Committee on Rules and Administration in the report adopted May 5, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1065 was read the third time 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 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C.C.	Solon
Bang	Engler	Langseth	Peterson, R.W.	Stern
Belanger	Frank	Lantry	Petty	Stokowski
Benson	Frederick	Lessard	Pillsbury	Stumpf
Berg	Frederickson	Lindgren	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Ramstad	Tennessee
Bertram	Hughes	Menning	Renneke	Ulland
Brataas	Humphrey	Moe, D. M.	Rued	Vega
Chmielewski	Keefe	Moe, R. D.	Schmitz	Waldorf
Dahl	Knoll	Olhoft	Setzepfandt	Wegener
Davies	Knutson	Pehler	Sieloff	Willet
Davis	Kroening	Penny	Sikorski	

Those who voted in the negative were:

Berglin	Dicklich	Johnson	Merriam	Spear
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So the bill passed and its title was agreed to.

H. F. No. 1200: A bill for an act relating to courts; extending application of the provision of law providing for payment of travel expenses for certain district court judges; amending Laws 1980, Chapter 614, Section 162.

Was read the third time 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:

Ashbach	Dicklich	Kroening	Peterson, C. C.	Spear
Bang	Dieterich	Kronebusch	Peterson, R. W.	Stern
Belanger	Engler	Langseth	Petty	Stokowski
Benson	Frank	Lantry	Pillsbury	Stumpf
Berg	Frederick	Lessard	Purfeerst	Taylor
Berglin	Frederickson	Lindgren	Ramstad	Tennessee
Bernhagen	Hanson	Luther	Renneke	Ulland
Bertram	Hughes	Menning	Rued	Vega
Brataas	Humphrey	Moe, D. M.	Schmitz	Waldorf
Chmielewski	Johnson	Nelson	Setzefandt	Wegener
Dahl	Keefe	Olhoft	Steloff	Willet
Davies	Knoll	Pehler	Sikorski	
Davis	Knutson	Penny	Solon	

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1160: A bill for an act relating to commerce; removing the auctioneer's exception to the definition of "real estate broker"; exempting certain real estate brokers and salespersons from the licensing requirements for mobile home manufacturers and dealers; amending Minnesota Statutes 1980, Sections 82.18; 82.34, Subdivision 7; and 327.55, by adding a subdivision.

Mr. Peterson, C. C. moved that H. F. No. 1160, No. 8 on the Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

H. F. No. 673: A bill for an act relating to commerce; increasing the amount of the surety bond required of collection agencies; authorizing the commissioner of securities and real estate to investigate and examine certain collection agencies; broadening the classification of prohibited practices; amending Minnesota Statutes 1980, Sections 332.34; 332.37; and 332.40.

Was read the third time 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:

Ashbach	Dicklich	Kroening	Penny	Solon
Bang	Dieterich	Kronebusch	Peterson, C. C.	Spear
Belanger	Engler	Langseth	Peterson, R. W.	Stern
Benson	Frank	Lantry	Petty	Stokowski
Berg	Frederick	Lessard	Pillsbury	Stumpf
Berglin	Frederickson	Lindgren	Purfeerst	Taylor
Bernhagen	Hanson	Luther	Ramstad	Tennessee
Bertram	Hughes	Menning	Renneke	Ulland
Brataas	Humphrey	Merriam	Rued	Vega
Chmielewski	Johnson	Moe, D. M.	Schmitz	Waldorf
Dahl	Keefe	Moe, R. D.	Setzefandt	Wegener
Davies	Knoll	Nelson	Steloff	Willet
Davis	Knutson	Olhoft	Sikorski	

Mr. Pehler voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1048: A bill for an act relating to insurance; removing insurance solicitors from insurance licensing provisions; prescribing certain fees; providing for licensing of certain legal entities as agents; providing for the licensing of other insurance agents; providing for examinations; providing exceptions to the licensing requirements; authorizing temporary licenses; providing for appointment of agents by insurers; prohibiting certain persons from obtaining an agent's license; providing for the revocation or suspension of licenses upon specified conditions; providing for the surrender, loss, or destruction of licenses; prescribing certain powers of the commissioner; authorizing the sale of contracts on a variable basis without licensure in certain circumstances; authorizing the commissioner to promulgate rules; prescribing penalties; amending Minnesota Statutes 1980, Sections 60A.02, Subdivision 7; 60A.14, Subdivision 1; 60A.17, Subdivisions 1, 3, 5, 6, 10, 12, and 13, and by adding subdivisions; repealing Minnesota Statutes 1980, Sections 60A.02, Subdivision 8; and 60A.17, Subdivisions 2, 2a, 2b, 4, 5a, 6a, 7, and 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Penny	Solon
Bang	Dieterich	Langseth	Peterson, C. C.	Spear
Belanger	Engler	Lantry	Peterson, R. W.	Stern
Benson	Frank	Lessard	Petty	Stokowski
Berg	Frederick	Lindgren	Pillsbury	Stumpf
Berglin	Frederickson	Luther	Purfeerst	Taylor
Bernhagen	Hanson	Menning	Ramstad	Tennessen
Bertram	Hughes	Merriam	Renneke	Ulland
Brataas	Humphrey	Moe, D. M.	Rued	Vega
Chmielewski	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Keefe	Nelson	Setzepfandt	Wegener
Davies	Knutson	Olhoft	Sieloff	Willet
Davis	Kroening	Pehler	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 1163: A bill for an act relating to the Greenway joint recreation board; regulating its tax levies.

Was read the third time 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:

Ashbach	Dahl	Hanson	Lantry	Olhoft
Bang	Davies	Hughes	Lessard	Pehler
Belanger	Davis	Humphrey	Lindgren	Penny
Benson	Dicklich	Johnson	Luther	Peterson, C. C.
Berglin	Dieterich	Keefe	Menning	Peterson, R. W.
Bernhagen	Engler	Knutson	Merriam	Petty
Bertram	Frank	Kroening	Moe, D. M.	Pillsbury
Brataas	Frederick	Kronebusch	Moe, R. D.	Purfeerst
Chmielewski	Frederickson	Langseth	Nelson	Ramstad

Renneke
Rued
Schmitz
Setzepfandt

Sieloff
Sikorski
Solon
Spear

Stern
Stokowski
Stumpf
Taylor

Tennessee
Ulland
Vega
Waldorf

Wegener
Willet

Mr. Berg voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

RECONSIDERATION

Mr. Nelson moved that the vote whereby S. F. No. 338 was passed by the Senate on May 13, 1981, be now reconsidered. The motion prevailed.

Mr. Nelson then moved that the vote whereby the Senate concurred in the House amendments to S. F. No. 338 and placed it on its repassage be now reconsidered. The motion prevailed.

S. F. No. 338: A bill for an act relating to public employment; clarifying impasse procedures when a school employee exclusive representative changes; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Sections 179.63, Subdivision 7; 179.64, Subdivision 1a; 179.691; and 179.692.

Mr. Nelson then moved that the Senate do not concur in the amendments by the House to S. F. No. 338, 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.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Kroening moved that H. F. No. 1005 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Kroening 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. 1005 and that the rules of the Senate be so far suspended as to give H. F. No. 1005 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1005 was read the second time.

Mr. Kroening then moved to amend H. F. No. 1005 as follows:

Delete everything after the enacting clause, and delete the title, of H. F. No. 1005, and insert the language after the enacting clause, and the title, of S. F. No. 887, the Second Engrossment. The motion prevailed. So the amendment was adopted.

Mr. Kroening then moved to amend H.F. No. 1005, as amended by the Senate May 13, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 887.)

Page 7, line 36, after "13" insert "*, except that in no case shall the*

maximum purchase price or appraised value for a dwelling unit in the multifamily housing development exceed four times the income limit established by section 462C.03, subdivision 2, unless the development is in a building officially built before 1900, designated as an historical structure under state, local, or national procedures'

The motion prevailed. So the amendment was adopted.

Mr. Tennesen moved to amend H.F. No. 1005, as amended by the Senate May 13, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 887.)

Page 7, line 14, delete everything before the second "of" and insert "none" and after "of" insert "the"

Page 7, line 15, delete "and" and insert "or"

Page 7, line 21, delete everything after the period

Page 7, delete lines 22 to 26

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 45, as follows:

Those who voted in the affirmative were:

Benson	Knutson	Penny	Sikorski	Stumpf
Davies	Luther	Peterson, R. W.	Spear	Tennesen
Frederickson	Merriam			

Those who voted in the negative were:

Ashbach	Davis	Kroening	Olhoft	Setzepfandt
Bang	Dicklich	Kronebusch	Pehler	Sieloff
Belanger	Engler	Langseth	Petty	Solon
Berglin	Frank	Lantry	Pillsbury	Stern
Bernhagen	Frederick	Lessard	Purfeerst	Stokowski
Bertram	Hughes	Menning	Ramstad	Taylor
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Keefe	Moe, R. D.	Rued	Vega
Dahl	Knoll	Nelson	Schmitz	Waldorf

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

Mr. Lessard moved to amend H.F. No. 1005, as amended by the Senate May 13, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 887.)

Page 1, after line 26, insert:

"Section 1. [16.869] [STATE BUILDING CODE IN MUNICIPALITIES UNDER 2,500; LOCAL OPTION.]

Notwithstanding any other provision of law to the contrary, the governing body of a municipality whose population is less than 2,500 may provide that the state building code, except the requirements for handicapped persons, will not apply within the jurisdiction of the municipality, if the municipality is located in whole or in part within a county exempted from its application pursuant to section 16.868. If more than one municipality has jurisdiction over an area, the state building code continues to apply unless all municipalities

having jurisdiction over the area have provided that the state building code, except the requirements for handicapped persons, will not apply within their respective jurisdictions."

Page 6, line 29, delete "4" and insert "5"

Page 8, line 36, delete "chapter" and insert "section"

Page 9, line 2, delete "chapter" and insert "section"

Page 9, line 5, delete "13 and 14" and insert "14 and 15"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "authorizing municipalities under 2,500 population to elect that the state building code not apply within their jurisdictions;"

Page 1, line 4, after "rulemaking" insert "power for the housing finance agency"

Page 1, line 22, delete "Chapter" and insert "Chapters 16 and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 25, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Pillsbury	Solon
Belanger	Engler	Lessard	Ramstad	Taylor
Benson	Frederick	Menning	Renneke	Ulland
Berg	Frederickson	Moe, R. D.	Rued	Wegener
Bertram	Keefe	Olhoft	Schmitz	
Dahl	Knutson	Penny	Setzepfandt	
Davis	Kronebusch	Peterson, C.C.	Sieloff	

Those who voted in the negative were:

Berglin	Humphrey	Luther	Petty	Stokowski
Brataas	Knoll	Merriam	Purfeerst	Stumpf
Davies	Kroening	Moe, D. M.	Sikorski	Tennessee
Frank	Lantry	Pehler	Spear	Vega
Hughes	Lindgren	Peterson, R.W.	Stern	Waldorf

The motion prevailed. So the amendment was adopted.

Mr. Keefe moved to amend H.F. No. 1005, as amended by the Senate May 13, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 887.)

Page 4, line 2, delete everything after the period

Page 4, delete lines 3 to 6

The motion prevailed. So the amendment was adopted.

RECONSIDERATION

Having voted on the prevailing side, Mr. Berg moved that the vote whereby the Keefe amendment to H. F. No. 1005 was adopted on May 13, 1981, be now reconsidered. The motion prevailed.

CALL OF THE SENATE

Mr. Humphrey imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Berg withdrew his motion.

RECONSIDERATION

Having voted on the prevailing side, Mr. Bertram moved that the vote whereby the Keefe amendment to H. F. No. 1005 was adopted on May 13, 1981, be now reconsidered. The motion prevailed.

The question recurred on the Keefe amendment.

CALL OF THE SENATE

Mr. Knoll imposed a call of the Senate for the balance of the proceedings on H. F. No. 1005. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederickson	Lindgren	Taylor
Bang	Bernhagen	Keefe	Ramstad	Ulland
Belanger	Engler	Knutson	Rued	
Benson	Frederick	Kronebusch	Sieloff	

Those who voted in the negative were:

Berglin	Hughes	Lessard	Pehler	Stern
Bertram	Humphrey	Luther	Peterson, C. C.	Stokowski
Dahl	Johnson	Merriam	Peterson, R. W.	Stumpf
Davis	Knoll	Moe, D. M.	Petty	Vega
Dicklich	Kroening	Moe, R. D.	Schmitz	Waldorf
Frank	Langseth	Nelson	Setzepfandt	Willet
Hanson	Lantry	Olhoft	Spear	

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

RECONSIDERATION

Having voted on the prevailing side, Mr. Keefe moved that the vote whereby the Lessard amendment to H. F. No. 1005 was adopted on May 13, 1981, be now reconsidered. The motion did not prevail.

H. F. No. 1005 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 13, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lantry	Peterson, C. C.	Stokowski
Belanger	Frank	Lessard	Peterson, R. W.	Stumpf
Benson	Hanson	Luther	Petty	Ulland
Berg	Hughes	Menning	Purfeerst	Vega
Berglin	Humphrey	Moe, D. M.	Ramstad	Waldorf
Bertram	Johnson	Moe, R. D.	Schmitz	Wegener
Chmielewski	Knoll	Nelson	Setzepfandt	Willet
Dahl	Kroening	Olhoft	Solon	
Davis	Kronebusch	Pehler	Spear	
Dicklich	Langseth	Penny	Stern	

Those who voted in the negative were:

Ashbach	Frederickson	Lindgren	Renneke	Tennessen
Bernhagen	Keefe	Merriam	Rued	
Frederick	Knutson	Pillsbury	Sieloff	

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

Mr. Kroening moved that S. F. No. 887 be stricken from General Orders and laid on the table. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Menning moved that the following members be excused for a Conference Committee on H. F. No. 1434:

Messrs. Menning, Purfeerst, Stumpf, Pillsbury and Renneke. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 1426: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Sections 116.18, Subdivisions 1 and 4; and 174.50, Subdivision 1.

Under rules of the Senate, laid over one day.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 1427: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

Under rules of the Senate, laid over one day.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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 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. 452: A bill for an act relating to the state board of investment;

establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

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

Clark, K; Sarna and Drew.

Senate File No. 452 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

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. 1132: A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

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

Heap; Johnson, C. and Zubay.

Senate File No. 1132 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

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. 1212: A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

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

Clawson, Ogren and Dean.

Senate File No. 1212 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 604:

H. F. No. 604: A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from

work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

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

Peterson, D.; Osthoff and Laidig have been appointed as such committee on the part of the House.

House File No. 604 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, 1981

Mrs. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 604, 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. 279: A bill for an act relating to taxation; providing that certain emergency shelters are exempt from the property tax; amending Minnesota Statutes 1980, Section 272.02, Subdivision 1.

Senate File No. 279 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S. F. No. 279 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 279 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kronebusch	Penny	Stokowski
Bang	Dicklich	Langseth	Peterson, C. C.	Stumpf
Belanger	Engler	Lantry	Peterson, R. W.	Taylor
Benson	Frank	Lessard	Petty	Tennessee
Berg	Frederick	Lindgren	Ramstad	Vega
Berglin	Frederickson	Luther	Rued	Waldorf
Bernhagen	Hanson	Merriam	Schmitz	Wegener
Bertram	Hughes	Moe, D. M.	Setzepfandt	Willet
Brataas	Humphrey	Moe, R. D.	Sieloff	
Chmielewski	Johnson	Nelson	Solon	
Dahl	Knoll	Olhoft	Spear	
Davies	Knutson	Pehler	Stern	

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. 400: A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

Senate File No. 400 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

Mr. Wegener moved that the Senate do not concur in the amendments by the House to S. F. No. 400, 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. 1079: A bill for an act relating to retirement; providing for an exemption from membership therein for city managers; modifying the income taxation of deferred compensation contributions by certain city managers; amending Minnesota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 353.

Senate File No. 1079 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

CONCURRENCE AND REPASSAGE

Mr. Stern moved that the Senate concur in the amendments by the House to S. F. No. 1079 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1079 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 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Knoll	Olhoft	Solon
Bang	Davies	Kroening	Pehler	Spear
Belanger	Davis	Kronebusch	Penny	Stern
Benson	Engler	Langseth	Peterson, R. W.	Stokowski
Berg	Frank	Lantry	Petty	Taylor
Berglin	Frederick	Lessard	Ramstad	Tennessen
Bernhagen	Frederickson	Lindgren	Rued	Ulland
Bertram	Hanson	Luther	Schmitz	Waldorf
Brataas	Hughes	Merriam	Setzepfandt	Wegener
Chmielewski	Humphrey	Moe, R. D.	Sieloff	

Those who voted in the negative were:

Dicklich	Johnson	Moe, D. M.	Peterson, C. C.	Vega
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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. 1040: A bill for an act relating to the environment; clarifying terms and duties in the waste management act; extending time limits for site selections and reports; clarifying and changing waste management powers of metropolitan counties; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivisions 4 and 5, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c and 2e, and by adding a subdivision; 473.153, Subdivisions 1, 2 and 6; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, and 8, and by adding subdivisions; 473.831, Subdivision 1; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 5.

Senate File No. 1040 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

Mr. Merriam moved that S. F. No. 1040 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 98 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 98 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 98

A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 98, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendment, and that H.F. No. 98 be further amended as follows:

Delete the amendment to page 4, line 19

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

House Conferees: (Signed) Lee Greenfield, Ken G. Nelson, O.J. Heinitz

Senate Conferees: (Signed) Hubert H. Humphrey III, Gene Waldorf, John Bernhagen

Mr. Humphrey moved that the foregoing recommendations and Conference Committee Report on H. F. No. 98 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. 98 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	Davies	Knoll	Pehler	Stokowski
Bang	Davis	Kroening	Penny	Taylor
Belanger	Dicklich	Langseth	Peterson, R. W.	Tennesen
Benson	Engler	Lantry	Petty	Ulland
Berg	Frank	Lessard	Ramstad	Vega
Berglin	Frederick	Lindgren	Rued	Waldorf
Bernhagen	Frederickson	Luther	Setzepfandt	Wegener
Bertram	Hanson	Merriam	Sieloff	
Brataas	Hughes	Moe, D. M.	Solon	
Chmielewski	Humphrey	Moe, R. D.	Spear	
Dahl	Johnson	Olhoff	Stern	

Mr. Peterson, C. C. 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. 182 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 182 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 182

A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 182, 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. 182 be further amended as follows:

Page 10, line 16, delete "\$2,000" and insert "\$2,700"

Page 10, line 18, after "loan" insert "secured by a first lien on a borrower's primary residence"

Page 10, line 20, delete the first "a" and insert "the"

Page 10, line 21, delete everything after "home"

Page 10, line 22, delete "*primary residence*"

Page 10, line 22, after the period, insert "*If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.*"

Page 14, line 5, delete "*, computing*"

Page 14, delete line 6

Page 14, line 7, delete everything before the period

Page 14, line 21, delete "*reasonable*"

Page 14, delete line 22

Page 14, line 23, delete everything before "*actual*"

Page 14, line 32, before the colon, insert "*; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater*"

Page 15, line 11, delete "*and*" and insert a comma

Page 15, line 11, after "*56.01*" insert "*and section 56.12*"

Page 15, line 13, delete "*consumer price index for urban wage*" and insert "*implicit price deflator for the gross national product, 1972 = 100, compiled by the United States department of commerce*"

Page 15, delete lines 14 and 15

Page 15, line 16, delete everything before the comma

Page 15, line 36, delete "*Bureau of Labor Statistics*" and insert "*department of commerce*"

Page 16, line 2, delete "*Bureau of Labor Statistics*" and insert "*department of commerce*"

Page 16, after line 18, insert:

"*Subd. 5. [ATTORNEY'S FEES.] No term of writing may provide for the payment by the debtor of attorney's fees.*"

Page 18, line 23, after the period insert "*The sale of credit life and credit accident and health insurance shall be subject to the provisions of chapter 62B, except that the term of the insurance may exceed 60 months if the term of the loan exceeds 60 months.*"

Page 19, line 4, delete "LAST" and after "YEAR" insert "LAST REPORTED TO THE DEPARTMENT OF COMMERCE"

Page 19, after line 7, insert:

"The licensee shall have 30 days after the insurance company submits its report of losses to the department of commerce for the previous calendar year to change its disclosure to reflect the current loss ratio."

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

House Conferees: (Signed) Thomas R. Berkelman, James P. Metzen, Douglas R. Ewald

Senate Conferees: (Signed) Collin C. Peterson, Otto T. Bang, Jr., Robert J. Tennesen

Mr. Peterson, C.C. moved that the foregoing recommendations and Conference Committee Report on H. F. No. 182 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. 182 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 13, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, R.W.	Stumpf
Bang	Frederick	Lessard	Petty	Taylor
Belanger	Frederickson	Lindgren	Ramstad	Tennesen
Benson	Hanson	Merriam	Rued	Ulland
Berg	Hughes	Moe, R.D.	Schmitz	Wegener
Bernhagen	Humphrey	Olhoft	Setzepfandt	
Bertram	Knoll	Pehler	Sieloff	
Brataas	Kronebusch	Penny	Solon	
Dahl	Langseth	Peterson, C.C.	Stern	

Those who voted in the negative were:

Berglin	Dicklich	Kroening	Spear	Waldorf
Davies	Frank	Luther	Stokowski	
Davis	Johnson	Moe, D.M.	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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1052 and

repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1052 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1052

A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1052, 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. 1052 be further amended as follows:

Page 1, line 14, after "acres" insert "*and shall be located adjacent to the peripheral boundary of the land under the custodial control of the community college board*"

Page 1, line 15, before the period insert "*; provided, that prior to reversion the tract shall be offered for sale for a period of 120 days to the current owner of the housing units thereon for a consideration equal to the unimproved value of the tract. For the purpose of this sale, the commissioner shall designate therefor two or more of the regularly appointed and qualified state appraisers to determine the value of the tract*"

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

House Conferees: (Signed) Paul D. Aasness, Arlene I. Lehto, Fred C. Norton

Senate Conferees: (Signed) Wayne Olhoft, A.O.H. Setzepfandt, Dave Rued

Mr. Olhoft moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1052 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.

Mr. Olhoft moved that H. F. No. 1052 and the Conference Committee report thereon be laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted. The motion prevailed.

Mr. Willet from the Committee on Finance, to which was referred

H. F. No. 493: A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; 429.021, Subdivision 1; and 474.02, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 16, 116H, 216B, 465, and 475.

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

Mr. Willet from the Committee on Finance, to which was referred

H. F. No. 900: A bill for an act relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses, wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money; amending Minnesota Statutes 1980, Section 4.36, Subdivision 2; repealing Laws 1979, Chapter 301; Section 6, Subdivision 1.

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

Mr. Willet from the Committee on Finance, to which was re-referred

S. F. No. 756: A bill for an act relating to the University of Minnesota hospitals; authorizing the sale of state bonds and loan of the proceeds of the sale to the board of regents of the University of Minnesota; appropriating money.

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

Page 1, line 12, delete "\$250,000,000" and insert "\$190,000,000"

Page 1, line 17, after "facilities" insert ", equipment,"

Page 2, line 10, after the comma, insert "and after making the determinations as provided in subdivision 8,"

Page 2, line 36, after the period, insert "This agreement shall also provide that beginning one year after completion of the new facility the operating bed capacity of university hospitals shall be adjusted periodically, at least once each biennium, to comply with appropriate and relevant occupancy guidelines as set by the local health systems agency. The guidelines shall include, at a minimum, occupancy guidelines for general adult medical surgical beds, general pediatric beds, general obstetrical beds, and general psychiatric beds."

Page 3, line 12, delete "only"

Page 3, line 13, delete "revenues"

Page 3, line 14, after "revenues" insert "of the university"

Page 3, line 14, after "gifts" insert "and university debt service obligations existing on the effective date of the loan agreement"

Page 3, line 15, delete "hospitals"

Page 3, after line 27, insert:

"If in any year university hospitals revenues are insufficient to make the required installment payment the university shall report on the amount and source of non-hospital funds used to make the payment. This report shall be submitted to the commissioner of finance and to the chairmen of the house appropriations and senate finance committees."

Page 4, after line 18, insert:

"Subd. 8. [COMMISSIONER OF FINANCE; DETERMINATIONS.] The commissioner of finance shall also make the following determinations before issuing any bonds:

(1) The proceeds of bonds provided for in this section will be sufficient together with other capital funds that may be available to the university to construct and to furnish the new facilities proposed by the university including appropriate professional fees and charges.

(2) The board of regents has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.

(3) The board of regents has executed agreements which will provide for the construction of the new facilities for a certified construction price and completion dates and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred by the university or loss of revenues resulting from incomplete construction on the completion date.

(4) The anticipated revenue from the operation of the hospital facilities plus any additional available revenue of the university will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense."

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

SECOND READING OF SENATE BILLS

S. F. No. 756 was read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 493 and 900 were read the second time.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr.

Frederick in the chair.

After some time spent therein, the committee arose, and Mr. Frederick reported that the committee had considered the following:

S. F. No. 775, which the committee recommends be returned to the Committee on Health, Welfare and Corrections.

S. F. No. 140, which the committee recommends to pass, subject to the following motions:

Mr. Setzepfandt moved to amend S. F. No. 140 as follows:

Page 4, line 29, delete everything after "to"

Page 4, line 30, delete "wetland as a protected" and insert "any waters which are preliminarily designated as a"

Page 4, line 31, delete "If"

Page 4, delete lines 32 to 36

Page 5, lines 1 to 5, delete the new language

Page 5, line 31, after the period insert "*If requested by the county board within the 90 day review period following revision of the map and list, the commissioner shall mail a notice of the right to challenge the commissioner's designation to each owner of land adjacent to any designated wetland whose name and address, together with identification of the affected wetland, has been supplied to the commissioner by the county board. The notice shall be mailed within 30 days of the publication of the revised map and list. No designation of wetlands shall be invalid by reason of any defect or omission of notice to any landowner under this subdivision or subdivision 1.*"

The motion prevailed. So the amendment was adopted.

Mr. Setzepfandt then moved to amend S. F. No. 140 as follows:

Page 2, line 18, strike "two" and insert "five"

Page 2, lines 21 to 30, delete the new language

Amend the title as follows:

Page 1, line 3, delete "eliminating"

Page 1, line 4, delete everything before "watercourses" and insert "excluding"

Page 1, line 5, before the semicolon insert "from the definition of protected waters"

The motion prevailed. So the amendment was adopted.

Mr. Setzepfandt then moved to amend S. F. No. 140 as follows:

Page 8, after line 12, insert:

"Sec. 11. Minnesota Statutes 1980, Section 105.42, Subdivision 1, is amended to read:

Subdivision 1. It shall be unlawful for the state, any person, partnership,

association, private or public corporation, county, municipality or other political subdivision of the state, to construct, reconstruct, remove, abandon, transfer ownership, or make any change in any reservoir, dam or waterway obstruction on any public water; or in any manner, to change or diminish the course, current or cross-section of any public waters, wholly or partly within the state, by any means, including but not limited to, filling, excavating, or placing of any materials in or on the beds of public waters, without a written permit from the commissioner previously obtained. Application for such permit shall be in writing to the commissioner on forms prescribed by him. No permit shall be required for ~~work in altered natural watercourses which are part~~ repair of drainage systems established pursuant to chapters 106 and or 112 when the ~~work in the waters~~ repair is undertaken pursuant to those chapters. *The term "repair" as used in this subdivision has the meaning given it by section 106.471.*

This section does not apply to any public drainage system lawfully established under the provisions of chapter 106 which does not substantially affect any public waters.

The commissioner, subject to the approval of the county board, shall have power to grant permits under such terms and conditions as he shall prescribe, to establish, construct, maintain and control wharfs, docks, piers, levees, breakwaters, basins, canals and hangars in or adjacent to public waters of the state except within the corporate limits of cities."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "permitting repair of drainage systems without a permit;"

Page 1, line 10, delete "and"

Page 1, line 11, before the period, insert "105.42, Subdivision 1"

The motion prevailed. So the amendment was adopted.

Mr. Berg moved to amend S. F. No. 140 as follows:

Page 3, line 10, after "are" insert "*confined within any waterbasin and are*"

Amend the title as follows:

Page 1, line 3, after the semicolon insert "changing the definition of wetlands;"

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend S. F. No. 140 as follows:

Page 5, line 14, delete "*Subd. 1a.*"

Page 5, line 20, after the period, insert:

"Subd. 1a. After it has received the commissioner's response, the county board by majority vote may elect not to proceed further in the designation process. If the county board so elects, the revised list and map shall be published in the official newspaper of the county together with a notice stating that

any person may request the designation of additional waters as protected waters or wetlands by filing a petition with the commissioner within 90 days following publication. The notice shall further state that if a landowner seeks to drain or perform any work in waters listed as protected waters or wetlands in the revised list, which would be prohibited or require a permit pursuant to chapter 105 if the waters were protected waters or wetlands, he must challenge the designation by filing a petition with the commissioner before draining or working in the waters. A hearing or appeal required pursuant to this subdivision shall proceed as set forth in subdivision 1c.

Subd. 1b. If the county elects to proceed with the designation process"

Page 5, line 26, delete "*Subd. 1b.*"

Page 5, line 32, strike "The" and insert:

"*Subd. 1c. A*"

Page 5, line 32, after "petition" insert "*disputing the designation of protected waters or wetlands or requesting designation of additional waters*"

Page 5, line 33, strike "commissioner's".

Page 5, line 33, after "disputed" insert "*or requested*"

Page 5, line 34, after "disputing" insert "*or requesting*"

Page 5, line 35, after "disputed" insert "*or requested*"

Page 6, line 3, delete "*Subd. 1c.*"

Page 6, line 16, delete "*Subd. 1d.*"

Page 6, line 27, delete "*1e*" and insert "*1d*"

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "changing the procedure for designating protected waters and wetlands;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 25, as follows:

Those who voted in the affirmative were:

Ashbach	Bertram	Knutson	Peterson, D.L.	Taylor
Bang	Chmielewski	Kronebusch	Ramstad	Ulland
Belanger	Engler	Langseth	Renneke	
Benson	Frederick	Lindgren	Rued	
Berg	Frederickson	Olhoft	Schmitz	
Bernhagen	Keefe	Penny	Setzepfandt	

Those who voted in the negative were:

Dahl	Frank	Kroening	Moe, R. D.	Stern
Davies	Hanson	Lantry	Nelson	Stokowski
Davis	Hughes	Lessard	Pehler	Vega
Dicklich	Humphrey	Luther	Peterson, R.W.	Waldorf
Dieterich	Johnson	Merriam	Petty	Willet

The motion prevailed. So the amendment was adopted.

RECONSIDERATION

Having voted on the prevailing side, Mr. Nelson moved that the vote whereby the Berg amendment to S. F. No. 140 was adopted on May 13, 1981, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 32 and nays 23, as follows:

Those who voted in the affirmative were:

Benson	Frank	Merriam	Schmitz	Tennessee
Berglin	Hughes	Moe, D. M.	Setzepfandt	Vega
Dahl	Humphrey	Moe, R. D.	Sikorski	Waldorf
Davies	Johnson	Nelson	Solon	Willet
Davis	Kroening	Pehler	Spear	
Dicklich	Lantry	Peterson, R. W.	Stern	
Dieterich	Luther	Petty	Stokowski	

Those who voted in the negative were:

Ashbach	Bertram	Knutson	Olhoft	Rued
Bang	Engler	Kronebusch	Penny	Taylor
Belanger	Frederick	Langseth	Peterson, D. L.	Ulland
Berg	Frederickson	Lessard	Ramstad	
Bernhagen	Keefe	Lindgren	Renneke	

The motion prevailed.

The question recurred on the Berg amendment.

The roll was called, and there were yeas 31 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Kronebusch	Peterson, D. L.	Setzepfandt
Bang	Davis	Langseth	Pillsbury	Taylor
Belanger	Engler	Lessard	Purfeerst	Ulland
Benson	Frederick	Lindgren	Ramstad	
Berg	Frederickson	Menning	Renneke	
Bernhagen	Keefe	Olhoft	Rued	
Bertram	Knutson	Penny	Schmitz	

Those who voted in the negative were:

Berglin	Hanson	Merriam	Sikorski	Vega
Chmielewski	Hughes	Moe, D. M.	Solon	Waldorf
Dahl	Humphrey	Moe, R. D.	Spear	Willet
Davies	Johnson	Nelson	Stern	
Dicklich	Kroening	Pehler	Stokowski	
Dieterich	Lantry	Peterson, R. W.	Stumpf	
Frank	Luther	Petty	Tennessee	

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

Mr. Penny moved to amend S.F. No. 140 as follows:

Page 8, after line 12, insert:

“Sec. 11. Minnesota Statutes 1980, Section 106.041, is amended to read:

106.041 [PETITIONERS' BOND.]

Upon the filing of a petition and before any action is taken thereon, one or more of the petitioners shall make and file a bond payable, in case of a county drainage system, to the county, and in case of a judicial drainage system, to the counties named in the petition, in the sum of not less than ~~\$2,000~~ \$10,000,

with good and sufficient sureties, to be approved by the officer with whom the same is filed, conditioned to pay all costs and expenses which may be incurred in case the proceedings are dismissed or for any reason no contract is entered into for the construction of the improvement petitioned for.

Sec. 12. Minnesota Statutes 1980, Section 106.631, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE ON APPEAL.] (a) Any person appealing on the first or second ground named, may include and have considered and determined benefits or damages affecting property other than his own. Notice of such appeal shall be served upon the owner or occupant of such other property or upon the attorney who represents such owner in the proceedings. Such notice of appeal shall also be served upon the auditor or clerk.

(b) To render the appeal effectual, the appellant shall file with the auditor or clerk within 30 days after the filing of such final order a notice of appeal which shall state the particular benefits or damages appealed from and the ground upon which the appeal is taken. The notice of appeal shall be accompanied by an appeal bond to the county where the property is located of not less than \$250 \$10,000 with sufficient surety to be approved by the auditor or clerk, conditioned that the appellant will duly prosecute the appeal and pay all costs and disbursements which may be adjudged against him and abide the order of the court. Within 30 days after such filing, the auditor, in case of a county drainage proceeding, shall return and file with the clerk of the district court the original notice and appeal bond.

(c) The issues raised by the appeal shall stand for trial by jury and shall be tried and determined at the next term of the district court held within the county in which the proceedings were commenced, or in such other county in which the appeal shall be heard, beginning after the filing of the appeal; and shall take precedence of all other matters of a civil nature in court. If there be more than one appeal triable in one county, the court may, on its own motion or upon the motion of a party in interest, consolidate two or more appeals and try them together, but the rights of the appellants shall be separately determined. If the appellant fails to prevail, the cost of the trial shall be paid by the appellant. In case of appeal as to damages or benefits to property situated in the county other than the county where the drainage proceedings are pending, and if the appellant so requests, the trial shall be held at the next term of the district court of the county wherein the lands are situated. In such case, the clerk of the district court where the appeal is filed, shall make, certify and file in the office of the clerk of the district court of the county where the trial is to be had, a transcript of the papers and documents on file in his office in the proceedings so far as they pertain to the matters on account of which the appeal is taken. After the final determination of such appeal, the clerk of the district court where the action is tried, shall certify and return the verdict to the district court of the county where the proceedings were instituted.

(d) The clerk of the district court shall file a certified copy of the final determination of any such appeal with the auditor of the county affected.

(e) An appeal on the third ground may be to the district court of any county wherein lands are affected. Such appeal shall be made within 30 days after the order allowing or disallowing the claim and shall be governed as far as applicable by the provisions of this subdivision.

Sec. 13. [REPEALER.]

Minnesota Statutes 1980, Section 105.463, is repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; eliminating a responsibility imposed on certain water project contractors;"

Page 1, line 11, before the period, insert "; 106.041; 106.631, Subdivision 2; repealing Minnesota Statutes 1980, Section 105.463"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 140.

The roll was called, and there were yeas 33 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hanson	Olhoft	Rued
Bang	Chmielewski	Knutson	Pehler	Schmitz
Belanger	Dahl	Kronebusch	Penny	Setzepfandt
Benson	Davis	Langseth	Peterson, D.L.	Solon
Berg	Engler	Lessard	Pillsbury	Taylor
Bernhagen	Frederick	Menning	Purfeerst	
Bertram	Frederickson	Moe, R. D.	Renneke	

Those who voted in the negative were:

Berglin	Humphrey	Luther	Sikorski	Ulland
Davies	Johnson	Merriam	Spear	Vega
Dicklich	Keefe	Moe, D. M.	Stern	Waldorf
Dieterich	Kroening	Peterson, R.W.	Stokowski	Willet
Frank	Lantry	Petty	Stumpf	
Hughes	Lindgren	Ramstad	Tennessee	

The motion prevailed. So S. F. No. 140 was recommended to pass.

H. F. No. 477, which the committee recommends to pass with the following amendment offered by Mr. Penny:

Amend H. F. No. 477, as amended pursuant to Rule 49, adopted by the Senate May 12, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 301.)

Page 5, line 5, delete "and the"

Page 5, line 6, delete "state board for vocational education"

Amend the title as follows:

Page 1, line 13, delete "and the state board for vocational education"

The motion prevailed. So the amendment was adopted.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H. F. No. 1475 be taken from the table. The motion

prevailed.

SUSPENSION OF RULES

Mr. Willet then 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.

Mr. Willet then moved to amend H. F. No. 1475 as follows:

Delete everything after the enacting clause, and delete the title, of H. F. No. 1475, and insert the language after the enacting clause, and the title, of S. F. No. 1426, as introduced. The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Willet imposed a call of the Senate for the balance of the proceedings on H. F. No. 1475 and the proceedings on H. F. No. 1474. The Sergeant at Arms was instructed to bring in the absent members.

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 11, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Langseth	Penny	Sikorski
Bang	Dicklich	Lantry	Peterson, C. C.	Solon
Belanger	Engler	Lessard	Peterson, R. W.	Spear
Benson	Frederick	Luther	Petty	Stokowski
Berg	Frederickson	Menning	Pillsbury	Taylor
Berglin	Hanson	Merriam	Purfeerst	Ufland
Bernhagen	Hughes	Moe, D. M.	Ramstad	Vega
Bertram	Humphrey	Moe, R. D.	Renneke	Wegener
Brataas	Johnson	Nelson	Rued	Willet
Chmielewski	Keefe	Olhoft	Schmitz	
Dahl	Kronebusch	Pehler	Setzepfand	

Those who voted in the negative were:

Davies	Kroening	Peterson, D. L.	Stern	Tennessee
Dieterich	Lindgren	Sieloff	Stumpf	Waldorf
Frank				

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

Mr. Willet moved that S. F. No. 1426 be laid on the table. The motion prevailed.

Mr. Willet moved that H. F. No. 1474 be taken from the table. The motion

prevailed.

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. 1474 and that the rules of the Senate be so far suspended as to give H. F. No. 1474 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1474 was read the second time.

Mr. Willet then moved to amend H. F. No. 1474 as follows:

Delete everything after the enacting clause, and delete the title, of H. F. No. 1474, and insert the language after the enacting clause, and the title, of S. F. No. 1427, as introduced.

The motion prevailed. So the amendment was adopted.

H. F. No. 1474 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 14, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, C.C.	Sikorski
Belanger	Frederick	Lessard	Peterson, D.L.	Solon
Benson	Frederickson	Luther	Peterson, R.W.	Spear
Berg	Hanson	Menning	Petty	Stokowski
Berglin	Hughes	Moe, D. M.	Pillsbury	Stumpf
Bernhagen	Humphrey	Moe, R. D.	Purfeerst	Taylor
Brataas	Johnson	Nelson	Ramstad	Ulland
Chmielewski	Keefe	Olhoft	Renneke	Vega
Dahl	Kroening	Pehler	Schmitz	Willet
Davis	Langseth	Penny	Setzepfandt	

Those who voted in the negative were:

Bang	Dicklich	Lindgren	Sieloff	Waldorf
Bertram	Frank	Merriam	Stern	Wegener
Davies	Kronebusch	Rued	Tennessee	

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

Mr. Willet moved that S. F. No. 1427 be laid on the table. The motion prevailed.

Mr. Penny moved that H. F. No. 769 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Penny 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. 769 and that the rules of the Senate be so far suspended as to give H. F. No. 769 its

second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 769 was read the second time.

Mr. Penny moved to amend H. F. No. 769 as follows:

Delete the language after the enacting clause, and delete the title, of H. F. No. 769, and insert the language after the enacting clause, and the title, of S. F. No. 759, the Second Engrossment. The motion prevailed. So the amendment was adopted.

Mr. Penny then moved to amend H.F. No. 769, as amended by the Senate May 13, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 759.)

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 1980, Section 174.50, is amended by adding a subdivision to read:

Subd. 1a. An additional need of the state transportation system is the acquisition and betterment of rail lines and right-of-way for preservation in the state rail bank as provided in section 222.63."

Page 1, line 18, after "deposit" insert "in this account"

Page 1, lines 20 and 21, delete the new language

Page 1, line 21, strike "in this account" and insert "but excluding proceeds of state bonds or other funds appropriated to the commissioner from the state transportation fund for the acquisition or betterment of property pertaining to the state rail bank established by section 222.63, and excluding income of the state rail bank and any other funds appropriated for its maintenance or improvement"

Page 2, line 25, before "rail" insert "state"

Page 2, line 25, strike "service" and insert "bank"

Page 2, lines 25 to 27, delete the new language

Page 2, after line 27, insert:

"Sec. 4. Minnesota Statutes 1980, Section 222.63, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] ~~For the purpose of~~ *The terms defined in section 222.48 have the same meanings when used in this section* ~~the term~~ . *Other terms used in this section have the following meanings:*

(a) "Abandoned", when used with reference to a ~~railroad~~ rail line or right-of-way, means a line or right-of-way with respect to which the interstate commerce commission or other responsible federal regulatory agency has ~~found that the public convenience and necessity permit~~ *permitted* discontinuance of rail service;

(b) "Right-of-way" means any real property, including any interest in the real property that is or has been owned by a railroad company as the site, or is adjacent to the site, of an existing or former rail line;

(c) "State rail bank" means abandoned rail lines and right-of-way acquired by the commissioner of transportation pursuant to this section."

Page 2, line 30, strike "ESTABLISHMENT; ACQUISITION; ELIGIBLE"

Page 2, line 31, strike "PROPERTIES" and insert "PURPOSE"

Page 2, line 31, strike "is" and insert "shall be"

Page 2, line 32, strike the comma and insert "and"

Page 2, line 32, strike "and disposition"

Page 2, line 32, strike "railroad" and insert "rail lines and"

Page 2, line 33, after "future" insert "public"

Page 2, line 33, after "use" insert ", or for disposition"

Page 2, line 33, after "commercial" insert "use in serving the public, by providing"

Page 2, line 33, strike "and" and insert "of persons or freight or"

Page 2, line 34, after "transmission" insert "of energy, fuel, or other commodities"

Page 2, line 34, before "The" insert:

"Subd. 2a. [ACQUISITION.]"

Page 2, line 35, strike "railroad" and insert "rail line or"

Page 2, line 36, strike "inclusion" and insert "preservation"

Page 3, line 1, after "future" insert "public and"

Page 3, line 1, after "transportation" insert "and transmission"

Page 3, line 3, after "abandoned" insert "rail line or"

Page 3, line 7, before "An" insert:

"Subd. 2b. [ELIGIBLE PROPERTY.]"

Page 3, line 7, after "abandoned" insert "rail line or"

Page 3, line 7, strike "inclusion" and insert "preservation"

Page 3, line 8, strike "right-of-way meets" and insert "commissioner determines that it provides or may be used to provide"

Page 3, line 9, strike "criteria"

Page 3, lines 10 and 14, strike "Provides or is expected to provide"

Page 3, line 16, strike "and" and insert "or"

Page 3, line 17, strike "provides"

Page 3, line 18, strike "Is"

Page 3, line 20, strike "commercial"

Page 3, line 21, after "transportation" insert "or transmission"

Page 3, line 22, after "requiring" insert "rail or other"

Page 3, line 23, strike "and" and insert "or"

Page 3, line 23, strike "rail services" and insert "service"

Page 3, line 25, before "The" insert:

"Subd. 2c. [PRESERVATION.]"

Page 3, line 25, after "maintenance" insert a comma

Page 3, line 26, after "any" insert "rail line or"

Page 3, line 26, strike "included" and insert "acquired for"

Page 3, line 27, strike "in"

Page 3, line 27, strike everything after "bank"

Page 3, line 28, strike "maintenance" and insert a comma

Page 3, line 28, after "and" insert "for its"

Page 3, line 28, strike everything after "management"

Page 3, line 29, strike everything before "in"

Page 3, line 31, strike "railroad track"

Page 3, line 32, strike everything before "acquired" and insert "rail line on"

Page 3, line 33, after "during" insert "any part or all of"

Page 3, line 33, after "period" insert "for which"

Page 3, after line 34, insert:

"Sec. 6. Minnesota Statutes 1980, Section 222.63, Subdivision 4, is amended to read:

Subd. 4. [DISPOSITION PERMITTED.] The commissioner ~~shall~~ may, in his discretion, lease any rail line or right-of-way ~~acquired under~~ held in the state rail bank ~~program~~ or enter into an agreement with any person for the operation of any rail line or right-of-way for any of the purposes set forth in subdivision 2 in accordance with a fee schedule to be developed by the commissioner in consultation with the advisory task force established in section 222.65. *The commissioner may after consultation convey any rail line or right-of-way, for consideration or for no consideration and upon other terms as the commissioner may determine to be in the public interest, to a governmental subdivision of the state having power by law to utilize it for any of the purposes set forth in subdivision 2; or may make it available for use by another department or agency of the state.*"

Page 4, delete lines 1 to 13 and insert:

"Subd. 8. [RAIL BANK MAINTENANCE AND IMPROVEMENT ACCOUNTS.] *Special accounts shall be maintained in the state treasury, designated as the rail bank maintenance account and the rail bank improvement account, to record the receipts and expenditures of the commissioner of transportation for the maintenance and for the acquisition and betterment of rail bank property. Expenditures of proceeds of state transportation bonds and any other amounts appropriated to the commissioner from the state transportation*

fund shall be recorded in the improvement account. Funds received by the commissioner of transportation from rentals, fees, or charges for the use of rail bank property shall be credited to the maintenance account and used for the maintenance of that property and held as a reserve for maintenance expenses in an amount determined by the commissioner, and amounts received in the maintenance account in excess of the reserve requirements shall be transferred to the improvement account. All proceeds of the sale of abandoned rail lines shall be deposited in the improvement account. The improvement account shall be used only for the acquisition and betterment of abandoned rail lines and right-of-way. All money to be deposited in those accounts as provided in this subdivision is appropriated to the commissioner of transportation for the purposes of this section. The appropriations shall not lapse but shall be available until the purposes for which the funds are appropriated are accomplished."

Page 4, line 18, strike "building" and insert " transportation"

Page 4, line 19, delete the new language and strike the old language

Page 4, line 20, after "the" insert "acquisition and betterment of public land and buildings and public improvements of a capital nature determined to be needed for preservation in the state rail bank in the manner and for the"

Page 4, line 21, delete "Section" and insert "Sections 222.50, Subdivision 7, Clause (c), and"

Page 4, after line 21, insert:

"Sec. 9. Laws 1980, Chapter 610, Section 2, is amended to read:

Sec. 2. [~~BOND SALE; DEBT SERVICE STATE TRANSPORTATION BONDS.~~] Subdivision 1. To provide the money appropriated in this act from the state ~~building~~ transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$13,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, ~~Sections 16A.63 to 16A.67~~ Section 174.51, and by the Constitution, Article XI, Sections 4 ~~to~~ , 5, and 7.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 10 and insert:

"relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation bonds; amending Minnesota Statutes 1980, Sections 174.50, by adding a subdivision; 222.49; 222.50, Subdivision 7; and 222.63, Subdivisions 1, 2, and 4; and Laws 1980, Chapter 610, Sections 1 and 2."

The motion prevailed. So the amendment was adopted.

H. F. No. 769 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Petty	Stokowski
Bang	Frank	Lindgren	Pillsbury	Stumpf
Belanger	Frederick	Luther	Purfeerst	Taylor
Benson	Frederickson	Menning	Ramstad	Tennessee
Berg	Hanson	Merriam	Renneke	Ulland
Berglin	Hughes	Moe, R. D.	Rued	Vega
Bernhagen	Humphrey	Nelson	Schmitz	Waldorf
Bertram	Johnson	Olhoft	Setzepfandt	Wegener
Brataas	Keefe	Pehler	Sieloff	Willet
Dahl	Kroening	Penny	Sikorski	
Davies	Kronebusch	Peterson, C. C.	Solon	
Davis	Langseth	Peterson, D. L.	Spear	
Dicklich	Lantry	Peterson, R. W.	Stern	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Olhoft moved that H. F. No. 1052 and the Conference Committee report thereon be taken from the table. The motion prevailed.

H. F. No. 1052: A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

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 16, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Luther	Purfeerst	Stokowski
Belanger	Hughes	Menning	Renneke	Stumpf
Berglin	Humphrey	Moe, R. D.	Rued	Taylor
Bertram	Johnson	Nelson	Schmitz	Vega
Brataas	Knoll	Olhoft	Setzepfandt	Waldorf
Chmielewski	Kroening	Pehler	Sieloff	Wegener
Dahl	Langseth	Penny	Sikorski	Willet
Davis	Lantry	Peterson, C. C.	Solon	
Dicklich	Lessard	Petty	Spear	
Frank	Lindgren	Pillsbury	Stern	

Those who voted in the negative were:

Bang	Davies	Frederickson	Merriam	Ramstad
Benson	Engler	Keefe	Peterson, D. L.	Tennessee
Berg	Frederick	Kronebusch	Peterson, R. W.	Ulland
Bernhagen				

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. Moe, R. D. 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 126 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 126 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 126

A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 378.

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 126, 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. 126 be further amended as follows:

Page 1, line 26, delete "*Subd. 3. [ACCESS POINTS.]*"

Page 1, line 27, after "*of*" insert "*the*"

Page 1, line 27, delete "*containing an*"

Page 1, line 28, delete "*aeration system*"

Page 2, line 4, delete "*4*" and insert "*3*"

Page 2, line 12, delete "*5*" and insert "*4*"

Page 3, delete lines 22 and 23

Page 3, line 24, delete "*(13)*" and insert "*(12)*"

Page 3, line 26, delete "*(14)*" and insert "*(13)*"

Page 3, line 35, reinstate the stricken language and delete the new language

Page 4, line 3, delete "*or a map of the area affected*" and strike "*; and*" and insert "*A map of the affected area may be included in the notice in lieu of the names of the owners or of the descriptions of the properties affected by the project or both. The notice shall*"

Page 4, after line 10, insert:

"Sec. 4. Minnesota Statutes 1980, Section 112.53, Subdivision 2, is amended to read:

Subd. 2. [MAILING.] The managers shall give notice by mail, within one week after the beginning of publication, to the director and to each person, corporation, and public body ~~affected~~ *that owns property benefited or damaged* by the proposed improvement as shown by the engineers and appraisers report. The notice shall contain a brief description of the proposed improvement and state: that the engineer's and appraisers' report are on file with the managers and available for public inspection; the time and place of hearing; and that the addressee's name appears as an affected party.

Sec. 5. Minnesota Statutes 1980, Section 112.53, Subdivision 4, is amended to read:

Subd. 4. Where the improvement affects the lands and properties in more than one county, separate notices shall be prepared and published in each county affected showing only the general description of the proposed improvement and the names and descriptions of the properties affected in the county *or, in lieu of the names or descriptions or both, a map of the area affected in the county.* Notice by mail as provided in subdivision 2 shall be given.

Sec. 6. [MURRAY COUNTY DITCHES.]

Pursuant to agreement under Minnesota Statutes, Section 471.59, Murray County may delegate to the city of Slayton all or part of its powers and duties relating to all or part of any county ditch. The city may exercise any of the delegated powers within or outside the city in the same manner as the county.

Sec. 7. [EFFECTIVE DATE.]

Section 6 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing bodies of Murray County and the city of Slayton."

Amend the title as follows:

Page 1, line 7, delete "to show" and insert "in lieu of the names of owners or descriptions of affected properties in a"

Page 1, line 8, delete "an assessment area" and insert "a proposed watershed improvement in a watershed benefit"

Page 1, line 8, after the semicolon insert "permitting Murray County and the city of Slayton to enter an agreement for the administration of county ditches;"

Page 1, line 9, delete "Subdivision 1" and insert "Subdivisions 1, 2 and 4"

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

House Conferees: (Signed) Bruce Anderson, LeRoy Stumpf, Tom Rees

Senate Conferees: (Signed) Marion (Mike) Menning, A. O. H. Setzepfandt, Charles A. Berg

Mr. Menning moved that the foregoing recommendations and Conference Committee Report on H. F. No. 126 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. 126: A bill for an act relating to waters; requiring posting and

publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map in lieu of the names of owners or descriptions of affected properties in a notification of a proposed watershed improvement in a watershed benefit; permitting Murray County and the city of Slayton to enter an agreement for the administration of county ditches; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivisions 1, 2 and 4; proposing new law coded in Minnesota Statutes, Chapter 378.

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 60 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, D.L.	Solon
Belanger	Frank	Lessard	Peterson, R.W.	Spear
Benson	Frederick	Lindgren	Petty	Stern
Berg	Frederickson	Luther	Pillsbury	Stokowski
Berglin	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Ramstad	Taylor
Bertram	Humphrey	Moe, R.D.	Renneke	Tennessee
Brataas	Johnson	Nelson	Rued	Ulland
Chmielewski	Knoll	Olhoft	Schmitz	Vega
Dahl	Kroening	Pehler	Setzepfand	Waldorf
Davis	Kronebusch	Penny	Sieloff	Wegener
Dicklich	Langseth	Peterson, C.C.	Sikorski	Willet

Messrs. Bang, Davies and Keefe voted in the negative.

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

RECESS

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

H. F. No. 487: Messrs. Stumpf, Willet and Penny.

H. F. No. 1190: Messrs. Johnson, Pehler and Benson.

H. F. No. 691: Mrs. Brataas, Messrs. Merriam and Lessard.

S. F. No. 338: Messrs. Nelson, Berg and Sikorski.

S. F. No. 400: Messrs. Wegener, Olhoft and Taylor.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The

motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, May 14, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-FOURTH DAY

St. Paul, Minnesota, Thursday, May 14, 1981

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Larry R. Friesen.

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

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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. Humphrey, Knoll, Sieloff, Sikorski and Tennessee were excused from the early part of today's Session. Mr. Peterson, D. L. was excused from the Session of today from 11:00 a.m. to 5:00 p.m. Mr. Wegener was excused from the Session of today at 3:30 p.m. Mr. Merriam was excused from the Session of today from 11:00 a.m. to 1:00 p.m. Mrs. Stokowski was excused from the Session of today from 1:00 to 3:00 p.m. Mr. Johnson was excused from the Session of today from 2:45 to 3:45 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1981 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 preserva-

tion, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	312	151	May 8	May 8

Sincerely,

Joan Anderson Growe
Secretary of State

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
1259		152	May 8	May 11
	57	153	May 8	May 11
	486	154	May 8	May 11
	536	155	May 8	May 11
	567	156	May 8	May 11
	659	157	May 8	May 11
	681	158	May 8	May 11
	976	159	May 8	May 11
	996	160	May 8	May 11

Sincerely,

Joan Anderson Growe
Secretary of State

May 11, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
18		161	May 11	May 11
77		162	May 11	May 11
291		163	May 11	May 11
432		164	May 11	May 11
443		165	May 11	May 11
550		166	May 11	May 11
556		167	May 11	May 11

625	168	May 11	May 11
823	169	May 11	May 11
1193	170	May 11	May 11
1248	171	May 11	May 11
1278	172	May 11	May 11
28	173	May 11	May 11
54	174	May 11	May 11
443	175	May 11	May 11
509	176	May 11	May 11
886	177	May 11	May 11
932	178	May 11	May 11

Sincerely,

Joan Anderson Growe
Secretary of State

May 12, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1981 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 1981	Date Filed 1981
	889	179	May 11	May 11

Sincerely,

Joan Anderson Growe
Secretary of State

March 10, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

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

Beverly J. Carpenter, 1319 E. 94th St., Bloomington, Hennepin County, has been appointed by me, effective March 10, 1981, for a term expiring the first Monday in January, 1985.

Louis R. Smerling, 2552 W. Lake of the Isles Blvd., Minneapolis, Hennepin County, has been appointed by me, effective March 10, 1981, for a term expiring the first Monday in January, 1985.

Marilyn Witty, 521 S. Minnesota Ave., P.O. Box 117, St. Peter, Nicollet County, has been appointed by me, effective March 10, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

April 16, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

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

John F. Bergford, Jr., 2218 Mount View Ave., Minneapolis, Hennepin County, has been appointed by me, effective April 16, 1981, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Governmental Operations.)

Sincerely yours,

Albert H. Quie, Governor

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. 177.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 678:

H. F. No. 678: A bill for an act relating to elections; changing certain election procedures, requirements and time limits; amending Minnesota Statutes 1980, Sections 201.071, Subdivision 1; 202A.26, Subdivision 1; 203A.22, Subdivision 4; 203A.31, Subdivisions 1 and 3; 203A.32; 204A.04, Subdivision 1; 204A.13, Subdivision 1; 204A.17, Subdivision 1; 204A.53, Subdivision 2; 204A.54, Subdivision 1; 205.03, Subdivisions 1 and 3; 207.03, Subdivision 1; 207.04, Subdivision 1; and 207.20, Subdivision 1; repealing Minnesota Statutes 1980, Sections 201.091, Subdivision 5; and 202A.54.

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

Osthoff, Minne and Peterson, D, have been appointed as such committee on the part of the House.

House File No. 678 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, 1981

Mr. Schmitz moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 678, 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. 356:

H. F. No. 356: A bill for an act relating to crimes; specifying offenses relating to computers; providing penalties; proposing new law coded in Minnesota Statutes 1980, Chapter 609.

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

Kahn, Vanasek and Laidig have been appointed as such committee on the part of the House.

House File No. 356 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, 1981

Mr. Luther moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 356 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. 697:

H. F. No. 697: A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

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

Stumpf; Anderson, B. and Redalen have been appointed as such committee on the part of the House.

House File No. 697 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, 1981

Mr. Hanson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 697, 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. 98: A bill for an act relating to local government; providing for the membership of the municipal board; amending Minnesota Statutes 1980, Section 414.01, Subdivision 2.

Senate File No. 98 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 98 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 98 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	Davis	Kroening	Olhoft	Schmitz
Bang	Dicklich	Kronebusch	Pehler	Setzepfandt
Belanger	Dieterich	Langseth	Penny	Spear
Benson	Engler	Lantry	Peterson, C.C.	Stern
Berg	Frank	Lessard	Peterson, R.W.	Stokowski
Berglin	Frederick	Lindgren	Petty	Taylor
Bernhagen	Frederickson	Luther	Pillsbury	Ulland
Bertram	Hanson	Menning	Purfeerst	Vega
Brataas	Hughes	Moe, D.M.	Ramstad	Waldorf
Dahl	Johnson	Moe, R.D.	Renneke	Wegener
Davies	Keefe	Nelson	Rued	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. 728: A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

Senate File No. 728 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

CONCURRENCE AND REPASSAGE

Mr. Lessard moved that the Senate concur in the amendments by the House to S. F. No. 728 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 728: A bill for an act relating to the city of Northome; authorizing the establishment of detached banking facilities.

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 14, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, R. W.	Stokowski
Bang	Dieterich	Lantry	Pillsbury	Stumpf
Belanger	Engler	Lessard	Purfeerst	Taylor
Benson	Frank	Luther	Ramstad	Ulland
Berg	Hanson	Menning	Rued	Vega
Berglin	Johnson	Moe, R. D.	Schmitz	Wegener
Dahl	Knutson	Nelson	Setzepfandt	Willet
Davies	Kroening	Olhoft	Spear	
Davis	Kronebusch	Pehler	Stern	

Those who voted in the negative were:

Bernhagen	Frederick	Keefe	Penny	Renneke
Bertram	Frederickson	Lindgren	Peterson, C. C.	Waldorf
Brataas	Hughes	Moe, D. M.	Petty	

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. 804: A bill for an act relating to motor vehicles; providing for the re-registration of certain motor vehicles and combinations of vehicles; defining gross vehicle weight; exempting certain vehicles from certain weight limitations; establishing gross weight limitations on certain highways for certain motor vehicles and combinations of vehicles; providing exceptions to certain gross weight limitations; providing for the designation and undesignation of certain routes; providing for the weighing of certain vehicles and combinations of vehicles and the enforcement of weight limitations; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits, and providing exceptions; requiring record keeping for shipments loaded or unloaded, and providing exceptions; imposing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 168.013, Subdivision 3; 169.01, Subdivision 46; 169.03, Subdivision 6; 169.832, Subdivision 11; 169.85; 169.851; 169.86, Subdivision 1a; 169.87, Subdivision 2; 169.871; 169.872; proposing new law coded in Minnesota Statutes, Chapter 169; repealing Minnesota Statutes 1980, Sections 169.83; 169.832, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 12; and 169.834.

Senate File No. 804 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

CONCURRENCE AND REPASSAGE

Mr. Willet moved that the Senate concur in the amendments by the House to S. F. No. 804 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 804 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 16, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Lessard	Peterson, R. W.	Stern
Belanger	Frederickson	Lindgren	Petty	Stokowski
Chmielewski	Hanson	Luther	Pillsbury	Taylor
Davies	Johnson	Menning	Purfeerst	Vega
Davis	Keefe	Moe, R. D.	Ramstad	Wegener
Dicklich	Knutson	Nelson	Rued	Willet
Dieterich	Kronebusch	Olhoft	Schmitz	
Engler	Langseth	Penny	Sieloff	
Frank	Lantry	Peterson, C. C.	Solon	

Those who voted in the negative were:

Benson	Bertram	Kroening	Renneke	Stumpf
Berg	Dahl	Moe, D. M.	Setzepfandt	Ulland
Berglin	Hughes	Pehler	Spear	Waldorf
Bernhagen				

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. 886: A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

Senate File No. 886 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

Mr. Stern moved that the Senate do not concur in the amendments by the House to S. F. No. 886, 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. 964: A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

Senate File No. 964 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S. F. No. 964, 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 House Files, herewith transmitted: H. F. Nos. 968; 1448, 403, 766, 1184 and 1253.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 13, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 968: A bill for an act relating to penalties for crimes; creating the Minnesota law enforcement training account and the crime victim assistance account; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 299B.06; 588.01, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 626.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 807.

H. F. No. 1448: A bill for an act relating to counties; excepting a county legal assistance levy from levy limits; amending Minnesota Statutes 1980, Section 375.167, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 403: A bill for an act relating to public utilities; providing for rights of shareholders of cooperative electric associations; proposing new law coded in Minnesota Statutes, Chapter 216B.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 311, now on General Orders.

H. F. No. 766: A bill for an act relating to the University of Minnesota hospitals; authorizing the sale of state bonds and loan of the proceeds of the sale to the board of regents of the University of Minnesota; limiting the use of the proceeds of the bonds; requiring an annual report to the legislature; appropriating money.

Mr. Nelson moved that H. F. No. 766 be laid on the table. The motion prevailed.

H. F. No. 1184: A bill for an act relating to taxation; requiring the state agricultural society to negotiate an agreement to provide compensation for certain city services; providing for homestead classification of certain leased premises; amending Minnesota Statutes 1980, Section 273.13, by adding a subdivision; and proposing new law coded in Minnesota Statutes, Chapter 38.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1253: A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

Referred to the Committee on Governmental Operations.

MOTIONS AND RESOLUTIONS

Mrs. Brataas moved that the name of Mr. Dahl be added as co-author to S. F. No. 1404. The motion prevailed.

S. F. No. 665 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 665

A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

May 8, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 665, 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. 665 be further amended as follows:

Page 2, line 6, delete "*individual travel accident policies*" and insert "*disability income protection insurance policies*"

Page 2, line 11, delete "*of the employer*" and insert "*, and dependents of employees or retirees.*"

Page 3, line 1, delete "QUALIFIED"

Page 3, after line 30, insert "*The coverage must be subject to a maximum lifetime benefit of not less than \$100,000.*"

Page 3, line 31, delete "NON-QUALIFIED"

Page 4, line 14, delete "and"

Page 4, line 23, delete "NON-QUALIFIED"

Page 5, line 8, delete "NON-QUALIFIED"

Page 6, line 12, before "No" insert "*Subdivision 1.*"

Page 6, line 15, after "*body*" insert "*of this state or any agency thereof or of the United States of America or any agency thereof*"

Page 6, after line 15, insert

"Subd. 2. Any false statement or representation printed on the policy or on promotional literature that indicates the policy has a connection with, is certified by, or has the approval or endorsement of any agency of this state or of the United States of America shall be unlawful."

Page 8, line 5, after "*way*" insert "*, including a violation of section 7,*"

Page 8, line 20, delete "*this section*" and insert "*sections 1 to 12*"

Page 8, line 29, delete "*this section*" and insert "*sections 1 to 12*"

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

Senate Conferees: (Signed) Timothy J. Penny, Gerry Sikorski, John B. Keefe

House Conferees: (Signed) James C. Swanson, Lee Greenfield, John R. Kaley

Mr. Penny moved that the foregoing recommendations and Conference Committee Report on S. F. No. 665 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. 665 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:

Ashbach	Davis	Kroening	Peterson, C. C.	Spear
Bang	Dicklich	Kronebusch	Peterson, R. W.	Stern
Belanger	Dieterich	Langseth	Petty	Stokowski
Benson	Engler	Lantry	Pillsbury	Stumpf
Berg	Frank	Lessard	Purfeerst	Taylor
Berglin	Frederick	Lindgren	Ramstad	Ulland
Bernhagen	Frederickson	Luther	Renneke	Vega
Bertram	Hanson	Menning	Rued	Waldorf
Brataas	Hughes	Nelson	Schmitz	Wegener
Chmielewski	Johnson	Olhoft	Setzpfandt	Willet
Dahl	Keefe	Pehler	Sieloff	
Davies	Knutson	Penny	Solon	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Willet moved that H.F. No. 295 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 355, now on General Orders. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Hanson moved that the Senate take up the Calendar and waive the lie-over requirement. The motion prevailed.

CALENDAR

S. F. No. 140: A bill for an act relating to natural resources; changing the term "public waters" to "protected waters"; excluding watercourses with a drainage area of five square miles or less from the definition of protected

waters; requiring notice to landowners of designation of wetlands adjacent to their property; permitting repair of drainage systems without a permit; changing the procedure for designating protected waters and wetlands; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; eliminating a responsibility imposed on certain water project contractors; amending Minnesota Statutes 1980, Sections 105.37, Subdivisions 14, 15 and 16, and by adding a subdivision; 105.38; 105.39, Subdivision 3; 105.391, Subdivisions 1, 3, 10 and 11; 105.42, Subdivision 1; 106.041; 106.631, Subdivision 2; repealing Minnesota Statutes 1980, Section 105.463.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 36 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Langseth	Peterson, C. C.	Sieloff
Bang	Davis	Lessard	Peterson, R. W.	Taylor
Belanger	Engler	Menning	Pillsbury	Wegener
Benson	Frederick	Moe, R. D.	Purfeerst	Willet
Berg	Frederickson	Nelson	Renneke	
Bernhagen	Hanson	Olhoft	Rued	
Bertram	Knutson	Pehler	Schmitz	
Brataas	Kronebusch	Penny	Setzepfandt	

Those who voted in the negative were:

Berglin	Frank	Lantry	Ramstad	Stumpf
Dahl	Hughes	Lindgren	Solon	Ulland
Davies	Johnson	Luther	Spear	Vega
Dicklich	Keefe	Moe, D. M.	Stern	Waldorf
Dieterich	Kroening	Petty	Stokowski	

So the bill passed and its title was agreed to.

H. F. No. 477: A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; requiring the higher education coordinating board to receive approval prior to implementing a parent loan program; increasing the bonding authority of the higher-education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for development of procedures by the higher education coordinating board and the state board for vocational education; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions 3 and 4, and by adding a subdivision; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kroening	Pehler	Sieloff
Bang	Dicklich	Kronebusch	Penny	Solon
Belanger	Dieterich	Langseth	Peterson, C. C.	Spear
Benson	Engler	Lantry	Peterson, R. W.	Stern
Berg	Frank	Lessard	Petty	Stokowski
Berglin	Frederick	Lindgren	Pillsbury	Stumpf
Bernhagen	Frederickson	Luther	Purfeerst	Taylor
Bertram	Hanson	Menning	Ramstad	Ulland
Brataas	Hughes	Moe, D. M.	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Keefe	Nelson	Schmitz	Wegener
Davies	Knutson	Olhoft	Setzepfandt	Willet

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate proceed to the Business of Introduction and First Reading of Senate Bills. 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. Solon and Ulland introduced—

S.F. No. 1428: A bill for an act relating to public health; providing for the development, promotion and coordination of regional emergency medical services systems; providing for the organization of emergency medical services districts; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Stumpf introduced—

S.F. No. 1429: A bill for an act relating to metropolitan government; changing the membership of the metropolitan parks and open space commission; amending Minnesota Statutes 1980, Section 473.301, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 473; and repealing Minnesota Statutes 1980, Section 473.303.

Referred to the Committee on Local Government and Urban Affairs.

Mr. Peterson, D. L. introduced—

S.F. No. 1430: A bill for an act proposing an amendment to the Minnesota Constitution, Article VI, Sections 7 and 8; providing for the appointment and election of judges.

Referred to the Committee on Judiciary.

Mr. Dicklich, Ms. Berglin, Messrs. Johnson and Kroening introduced—

S.F. No. 1431: A bill for an act relating to energy; establishing the Coleman Corporation to provide low cost home heating oil to Minnesota residents; proposing new law coded as Minnesota Statutes, Chapter 116J.

Referred to the Committee on Energy and Housing.

Mr. Langseth introduced—

S.F. No. 1432: A bill for an act relating to taxation; authorizing an income tax exemption for certain new business facilities; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; and 290.08, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pillsbury, Ashbach and Knutson introduced—

S.F. No. 1433: A bill for an act relating to metropolitan government; providing a method for election of metropolitan council members; fixing the size of the council; amending Minnesota Statutes 1980, Sections 473.121, by adding a subdivision; and 473.123.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Stern, Luther, Tennessen, Johnson and Bang introduced—

S.F. No. 1434: A bill for an act relating to trade regulation; prohibiting certain unfair and deceptive practices and unreasonable restraints of trade in the business of motion picture distribution; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 325D.

Referred to the Committee on Commerce.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Spear moved that S. F. No. 1164 be taken from the table and placed at the top of General Orders. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Wegener in the chair.

After some time spent therein, the committee arose, and Mr. Knoll reported that the committee had considered the following:

H.F. No. 1160, which the committee recommends to pass, subject to the following motion:

Mr. Peterson, C.C. moved that the amendment made to H.F. No. 1160 by the Committee on Rules and Administration in the report adopted May 6, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S. F. No. 1170, which the committee recommends be returned to the Committee on Judiciary.

S. F. No. 391, which the committee recommends be returned to the Committee on Employment.

H.F. No. 1051, which the committee recommends to pass, subject to the

following motions:

The question was taken on the recommendation to pass H. F. No. 1051.

The roll was called, and there were yeas 20 and nays 26, as follows:

Those who voted in the affirmative were:

Berglin	Dicklich	Kroening	Pehler	Stern
Dahl	Dieterich	Lantry	Peterson, R.W.	Vega
Davies	Hughes	Luther	Petty	Waldorf
Davis	Johnson	Moe, D. M.	Schmitz	Willet

Those who voted in the negative were:

Ashbach	Bertram	Lessard	Purfeerst	Ulland
Bang	Chmielewski	Lindgren	Ramstad	Wegener
Belanger	Frank	Merriam	Renneke	
Benson	Frederickson	Olhoft	Rued	
Berg	Knutson	Penny	Sieloff	
Bernhagen	Kronebusch	Peterson, C.C.	Taylor	

The motion did not prevail. So the bill was not recommended to pass.

RECONSIDERATION

Having voted on the prevailing side, Mr. Sieloff moved that the vote whereby the recommendation to pass H. F. No. 1051 failed on May 14, 1981, be now reconsidered. The motion prevailed.

Mr. Rued moved to amend H.F. No. 1051, as amended pursuant to Rule 49, adopted by the Senate May 8, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1317.)

Page 1, line 19, delete "county,"

The motion prevailed. So the amendment was adopted.

S. F. No. 635, which the committee reports progress, subject to the following motions:

Mr. Hanson moved to amend S. F. No. 635 as follows:

Pages 1 and 2, delete section 1

Page 17, line 7, delete "13 and 15" and insert "12 and 14"

Page 17, line 9, delete "9" and insert "8"

Page 17, line 12, delete "14" and insert "13"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "124.212, Subdivision 10;"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S. F. No. 635 as follows:

Page 3, lines 15 and 16, delete the new language and reinstate the stricken language

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S. F. No. 635 as follows:

Page 6, line 30, delete the new language

Page 6, line 31, delete "3b have been met"

Page 8, delete section 8

Page 17, line 7, delete "13 and 15" and insert "12 and 14"

Page 17, line 9, delete "9" and insert "8"

Page 17, line 12, delete "14" and insert "13"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "subdivisions" and insert "a subdivision"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 28, as follows:

Those who voted in the affirmative were:

Bang	Engler	Knoll	Penny	Schmitz
Belanger	Frank	Kronebusch	Petty	Setzepfandt
Benson	Frederick	Lessard	Pillsbury	Solon
Berg	Frederickson	Lindgren	Ramstad	Taylor
Bernhagen	Hanson	Nelson	Renneke	Ulland
Brataas	Keefe	Pehler	Rued	Willet

Those who voted in the negative were:

Berglin	Dicklich	Lantry	Peterson, C. C.	Stumpf
Bertram	Dieterich	Luther	Peterson, R. W.	Tennessee
Chmielewski	Hughes	Menning	Purfeerst	Vega
Dahl	Humphrey	Merriam	Sieloff	Waldorf
Davies	Kroening	Moe, D. M.	Sikorski	
Davis	Langseth	Olhoft	Stern	

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S.F. No. 635 as follows:

Page 10, line 27, delete "15" and insert "50"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Lessard	Purfeerst	Ulland
Bang	Frederickson	Lindgren	Ramstad	Wegener
Belanger	Hanson	Moe, R. D.	Renneke	Willet
Benson	Keefe	Nelson	Rued	
Bernhagen	Knoll	Pehler	Schmitz	
Brataas	Knutson	Penny	Setzepfandt	
Engler	Kronebusch	Pillsbury	Taylor	

Those who voted in the negative were:

Berg	Dicklich	Kroening	Peterson, C. C.	Stern
Berglin	Dieterich	Lantry	Peterson, R. W.	Stumpf
Bertram	Frank	Luther	Petty	Tennessee
Dahl	Hughes	Menning	Sieloff	Vega
Davies	Humphrey	Merriam	Sikorski	Waldorf
Davis	Johnson	Olhoft	Spear	

The motion prevailed. So the amendment was adopted.

Mr. Keefe moved to amend S. F. No. 635 as follows:

Page 9, lines 10 to 16, delete the new language

The motion prevailed. So the amendment was adopted.

S. F. No. 635 was then progressed.

S. F. No. 810, which the committee recommends to pass, after the following motion:

Mr. Renneke moved to amend S. F. No. 810 as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 115.07, is amended by adding a subdivision to read:

Subd. 3a. [LOCATION OF CERTAIN FACILITIES.] No lagoon or settling basin which is part of any treatment works may be constructed by a municipality within one half mile of any residential structure without an agreement with the majority of the affected resident freeholders. For the purpose of this subdivision, the term “municipality” has the meaning given in section 115.41, subdivision 4.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert “prohibiting construction of certain municipal sewage treatment works near residential structures;”

Page 1, line 4, delete “Section” and insert “Sections 115.07, by adding a subdivision; and”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knutson	Renneke	Ulland
Berg	Frederick	Kronebusch	Rued	
Bernhagen	Frederickson	Pillsbury	Sieloff	
Brataas	Keefe	Purfeerst	Taylor	

Those who voted in the negative were:

Bertram	Dieterich	Langseth	Pehler	Stokowski
Chmielewski	Frank	Lantry	Peterson, R. W.	Tennessen
Dahl	Hughes	Luther	Petty	Vega
Davis	Humphrey	Merriam	Ramstad	Waldorf
Davis	Knoll	Moe, R. D.	Solon	
Dicklich	Kroening	Nelson	Spear	

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

H. F. No. 986, which the committee recommends to pass, subject to the following motion:

Mr. Tennessen moved that the amendment made to H. F. No. 986 by the Committee on Rules and Administration in the report adopted May 11, 1981, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 636, which the committee reports progress, subject to the following motion:

Mr. Chmielewski moved to amend H.F. No. 636, as amended pursuant to Rule 49, adopted by the Senate May 5, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 764.)

Page 3, after line 13, insert:

"Sec. 3. Minnesota Statutes 1980, Section 268.071, is amended by adding subdivisions to read:

Subd. 8. [INTERSTATE CLAIMS.] An individual shall not be eligible for extended benefits for any week if:

(a) extended benefits are payable for that week pursuant to an interstate claim filed in any state under the interstate benefit payment plan; and

(b) no extended benefit period is in effect for the week in that state.

This subdivision shall not apply to the first two weeks for which extended benefits are payable pursuant to an interstate claim filed under the interstate benefit payment plan to the individual from the extended benefit account established for the individual with respect to the benefit year.

Subd. 9. [ELIGIBILITY REQUIREMENTS.] Notwithstanding the provisions of subdivision 2, an individual shall be ineligible for the payment of extended benefits for any week of unemployment in his eligibility period if the commissioner finds that during that period he failed to accept any offer of suitable work or failed to apply for any suitable work to which he was referred by the commissioner or failed to actively engage in seeking work.

Any individual who has been found ineligible for extended benefits by reason of this subdivision shall also be denied benefits for the week following the week in which the failure occurred and until he has been employed in each of four subsequent weeks, whether or not consecutive, and has earned remuneration of not less than four times his extended weekly benefit amount.

For the purpose of this subdivision "suitable work" means, with respect to any individual, any work which is within that individual's capabilities and the gross average weekly remuneration exceeds the sum of the individual's weekly benefit amount as determined under subdivision 4 plus the amount, if any, of supplemental unemployment benefits, as defined in section 501(c)(17)(D) of the Internal Revenue Code of 1954, payable to the individual for that week; and the work pays wages not less than the higher of the minimum wage provided by section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended, without regard to any exemption, or the applicable state or local minimum wage.

No individual shall be denied extended benefits for failure to accept an offer of or apply for any suitable work if: (a) the position was not offered to the individual in writing and was not listed with employment service; (b) the failure could not result in a denial of benefits under the definition of suitable work for regular benefit claimants in section 268.09, subdivision 2, clause (a) to the extent that the criteria of suitability therein is not inconsistent with this subdivision; or (c) the individual furnishes satisfactory evidence to the commissioner that his prospects for obtaining work in his customary occupation within

a reasonably short period are good. If the evidence furnished is found to be satisfactory for this purpose, the determination of whether any work is suitable for the individual shall be made in accordance with the definition of suitable work for regular benefit claimants in section 268.09, subdivision 2, clause (a) without regard to the definition specified in this subdivision.

No work shall be found to be suitable work for an individual which does not accord with the labor standard provisions required by section 3304(a)(5) of the Internal Revenue Code of 1954, as amended, and set forth in section 268.09, subdivision 2, clauses (b)(1)(2)(3).

For the purpose of this subdivision an individual is actively seeking work during any week if the individual has engaged in a systematic and sustained effort to obtain work during the week, and the individual furnishes tangible evidence that he has engaged in that effort during the week.

The employment service shall refer any claimant entitled to extended benefits under section 268.071 to any suitable work."

Page 3, line 14, delete "3" and insert "4"

Page 3, line 18, after the period, insert "Section 3 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "modifying extended benefit eligibility;"

Page 1, line 7, delete "and" and before the period insert "; and 268.071, by adding subdivisions"

The motion prevailed. So the amendment was adopted.

H. F. No. 636 was then progressed.

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

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Mr. Sieloff moved that the rules of the Senate be so far suspended that H. F. No. 515, No. 10 on General Orders, be made a Special Order for immediate consideration. The motion prevailed.

SPECIAL ORDER

H. F. No. 515: A bill for an act relating to coroners; eliminating the requirement of filing a certificate of no inquest; amending Minnesota Statutes 1980, Section 390.17.

Mr. Sieloff moved to amend H. F. No. 515 as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1980, Section 260.031, Subdivision 1, is amended to read:

Subdivision 1. The judge of the juvenile court may appoint one or more suitable persons to act as referees if the office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created. Persons holding the office of referee on June 30, 1980, in the second and June 30, 1977, in the fourth judicial district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to juvenile court. These Referees shall be qualified for their duties by their previous training and experience and shall hold office at the pleasure of the judge. The compensation of a referee shall be fixed by the judge and, approved by the county board and shall be payable from the general revenue funds of the county not otherwise appropriated. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984."

Page 1, after line 20, insert:

"Sec. 3. Minnesota Statutes 1980, Section 484.70, Subdivision 1, is amended to read:

Subdivision 1. *The office of referee is abolished. No vacancy in the office of referee, including family, juvenile, probate, and special term referees, shall be filled, nor new office created.* Persons holding the office of referee full time on June 30, 1977 1980, in the second, and June 30, 1978, in the fourth and sixth judicial districts district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family or, probate, juvenile or special term court. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 4. Minnesota Statutes 1980, Section 484.70, is amended by adding a subdivision to read:

Subd. 6. No referee may hear a contested trial, hearing, motion or petition if a party or attorney for a party objects in writing to the assignment of a referee to hear the matter. The court shall by rule, specify the time within which an objection must be filed.

Sec. 5. Minnesota Statutes 1980, Section 484.70, is amended by adding a subdivision to read:

Subd. 7. The duties and powers of referees shall be as follows:

(a) Hear and report all matters assigned by the chief judge.

(b) Recommend findings of fact, conclusions of law, temporary and interim orders, and final orders for judgment.

(c) All recommended orders and findings of a referee shall be subject to confirmation by a judge. Review of any recommended order or finding of a referee by a judge may be by notice served and filed within ten days of effective notice of the recommended order or finding. The notice of review shall specify the grounds for review and the specific provisions of the recommended findings or orders disputed, and the court, upon receipt of a notice of review, shall set a

time and place for a review hearing.

(d) Upon the conclusion of the hearing in each case, the referee shall transmit to a judge the court file together with recommended findings and orders in writing. The recommended findings and orders of a referee become the findings and orders of the court when confirmed by a judge. The order of the court shall be proof of such confirmation, and also of the fact that the matter was duly referred to the referees.

Sec. 6. Minnesota Statutes 1980, Section 525.10, is amended to read:

525.10 [REFEREE; APPOINTMENT; BOND; OFFICE ABOLISHED.]

Subdivision 1. [OFFICE ABOLISHED.] The office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created.

Subd. 2. [INCUMBENTS.] Persons holding the office of referee on June 30, 1980, in the second and August 15, 1980, in the fourth judicial district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to probate court. All referees are subject to the provisions of section 484.70. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Subd. 3. [REFEREES.] The judges of the probate court in Hennepin and Ramsey counties may appoint one or more referees. Each referee in probate who court shall be a resident of such county and an attorney at law duly admitted in this state. He shall hold office during the pleasure of the judge appointing him. Such The appointment shall be in writing and filed in such the court. Before entering 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 bond with the oath of the appointee shall be recorded in the office of the county recorder. The premiums on such bond and the expenses of such recording and filing shall be paid by the county. An action may be maintained on such bond by any person aggrieved by the violation of the conditions thereof. The referee has the power to take acknowledgments and administer oaths.

Sec. 7. [REPEALER.]

Minnesota Statutes 1980, Sections 484.67; and 484.70, Subdivisions 2, 3, 4 and 5; are repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, before the semicolon, insert "and court referees"

Page 1, line 3, after the semicolon, insert "prescribing the duties of court referees; continuing and abolishing certain referee positions;"

Page 1, line 4, delete "Section" and insert "Sections"

Page 1, line 4, before "390.17" insert "260.031, Subdivision 1;"

Page 1, line 4, before the period, insert "; 484.70, Subdivision 1 and by

adding subdivisions; and 525.10; repealing Minnesota Statutes 1980, Sections 484.67; and 484.70, Subdivisions 2, 3, 4 and 5''

The motion prevailed. So the amendment was adopted.

H. F. No. 515 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 8, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knutson	Penny	Solon
Bang	Dicklich	Kroening	Peterson, R. W.	Spear
Belanger	Dieterich	Kronebusch	Petty	Stokowski
Benson	Engler	Langseth	Pillsbury	Stumpf
Berglin	Frederick	Lessard	Ramstad	Tennessee
Bernhagen	Frederickson	Lindgren	Renneke	Ulland
Brataas	Humphrey	Luther	Rued	
Chmielewski	Johnson	Moe, D. M.	Schmitz	
Dahl	Keefe	Moe, R. D.	Setzepfandt	
Davies	Knoll	Nelson	Sieloff	

Those who voted in the negative were:

Berg	Frank	Olhoft	Peterson, C. C.	Willet
Bertram	Merriam	Pehler		

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Penny moved that the following members be excused for a Conference Committee on H. F. No. 487 from 3:00 to 4:00 p.m.:

Messrs. Penny, Stumpf and Willet. The motion prevailed.

RECESS

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

H. F. No. 604: Mrs. Stokowski, Mr. Renneke and Mrs. Lantry.

H. F. No. 697: Messrs. Hanson, Dahl and Peterson, D.L.

H. F. No. 678: Messrs. Schmitz, Stumpf and Pillsbury.

S. F. No. 886: Messrs. Stern, Benson and Dicklich.

S. F. No. 964: Ms. Berglin; Messrs. Moe, D.M. and Frederickson.

H. F. No. 356: Messrs. Luther, Davies and Keefe.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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. 2: A bill for an act relating to the Mississippi River headwaters area; establishing a joint board of counties to prepare, adopt and implement a comprehensive land use plan for the Mississippi River headwaters area; imposing a temporary moratorium on the use of certain lands subject to city land use controls; proposing new law coded as Minnesota Statutes, Chapter 114B.

Senate File No. 2 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Lessard moved that the Senate concur in the amendments by the House to S. F. No. 2 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knutson	Nelson	Solon
Bang	Dicklich	Kroening	Olhoft	Spear
Belanger	Dieterich	Kronebusch	Pehler	Stern
Benson	Engler	Langseth	Penny	Stokowski
Berg	Frank	Lantry	Peterson, R.W.	Taylor
Berglin	Frederick	Lessard	Petty	Tennessee
Bernhagen	Frederickson	Lindgren	Pillsbury	Ulland
Bertram	Hanson	Luther	Purfeerst	Vega
Brataas	Hughes	Menning	Ramstad	Willet
Chmielewski	Humphrey	Merriam	Renneke	
Dahl	Johnson	Moe, D. M.	Rued	
Davies	Keefe	Moe, R. D.	Schmitz	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 440: A bill for an act establishing the North Koochiching county waste water treatment board; prescribing its duties and powers; providing for the treatment and disposal of waste water in described areas.

Senate File No. 440 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1981

CONCURRENCE AND REPASSAGE

Mr. Lessard moved that the Senate concur in the amendments by the House to S. F. No. 440 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 440 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 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Olhoft	Sieloff
Bang	Dieterich	Kronebusch	Pehler	Solon
Belanger	Engler	Langseth	Penny	Stern
Benson	Frank	Lantry	Peterson, C.C.	Stokowski
Berglin	Frederick	Lessard	Peterson, R.W.	Taylor
Bernhagen	Frederickson	Lindgren	Petty	Ulland
Bertram	Hanson	Luther	Pillsbury	Vega
Brataas	Hughes	Menning	Purfeerst	Waldorf
Chmielewski	Humphrey	Merriam	Ramstad	Willet
Dahl	Johnson	Moe, D. M.	Rued	
Davies	Knoll	Moe, R. D.	Schmitz	
Davis	Knutson	Nelson	Setzepfandt	

Mr. Berg 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. 525: A bill for an act relating to advertising devices; requiring compensation for removing certain devices; providing for maintenance of areas; amending Minnesota Statutes 1980, Section 173.17; proposing new law coded in Minnesota Statutes, Chapter 173.

Senate File No. 525 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Schmitz moved that the Senate concur in the amendments by the House to S. F. No. 525 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 525: A bill for an act relating to advertising devices; requiring compensation for removing certain devices; providing for maintenance of areas; increasing certain fees for outdoor advertising permits; requiring recommendations to the legislature for a comprehensive directional signing program; amending Minnesota Statutes 1980, Sections 173.13, and 173.17; proposing new law coded in Minnesota Statutes, Chapter 173.

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 15, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kronebusch	Peterson, C.C.	Stern
Bang	Frederickson	Langseth	Pillsbury	Taylor
Belanger	Hanson	Lantry	Purfeerst	Ulland
Benson	Hughes	Lessard	Ramstad	Vega
Berg	Humphrey	Luther	Renneke	Waldorf
Bernhagen	Johnson	Menning	Rued	Willet
Bertram	Keefe	Moe, R. D.	Schmitz	
Brataas	Knoll	Nelson	Setzepfand	
Chmielewski	Knutson	Olhoft	Sieloff	
Engler	Kroening	Penny	Solon	

Those who voted in the negative were:

Berglin	Davis	Frank	Moe, D. M.	Petty
Dahl	Dicklich	Lindgren	Pehler	Stokowski
Davies	Dieterich	Merriam	Peterson, R.W.	Tennessee

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Menning moved that the following members be excused for a Conference Committee on H. F. No. 1434 at 5:00 p.m.:

Messrs. Menning, Purfeerst, Renneke, Stumpf and Pillsbury. 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. 767: A bill for an act relating to counties; providing for publication of certain financial information; proposing new law coded in Minnesota Statutes, Chapter 375; repealing Minnesota Statutes 1980, Section 375.17.

Senate File No. 767 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Dicklich 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.

Mr. Merriam moved that the Senate do not concur in the amendments by the House to S. F. No. 767, 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 did not prevail.

Mr. Dicklich moved that S. F. No. 767 be laid on the table. 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. 818: A bill for an act relating to game and fish; increasing the amount set aside from any increased deer license fees for deer habitat improvement; restricting the taking of bear to adult bear; amending Minnesota Statutes 1980, Sections 97.49, Subdivision 1a; and 100.27, Subdivision 2.

Senate File No. 818 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Peterson, C.C. moved that the Senate do not concur in the amendments by the House to S. F. No. 818, 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. 1074: A bill for an act relating to natural resources; extending the permissible term of agricultural leases of state peat lands; amending Minnesota Statutes 1980, Section 92.50, Subdivision 1.

Senate File No. 1074 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Merriam moved that S. F. No. 1074 be laid on the table. The motion

prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 79 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 79 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 14, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 79

A bill for an act relating to commerce; providing for the regulation and licensing of precious metal dealers; establishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies; amending Minnesota Statutes 1980, Section 609.53, Subdivision 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 325F.

May 12, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 79, 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. 79 be further amended as follows:

- Page 1, line 16, delete "*includes*" and insert "*means*"
- Page 1, line 16, delete "*copartnership*" and insert "*partnership*"
- Page 1, line 19, after "*candlesticks*," insert "*and*"
- Page 1, line 20, delete the comma
- Page 1, line 21, delete "*includes*" and insert "*means*"
- Page 1, line 23, delete "*ITEMS*" and insert "*ITEM*"
- Page 1, line 23, delete "*Items*" and insert "*Item*"
- Page 1, line 24, delete "*items*" and insert "*an item*"
- Page 1, line 25, delete "*, which contain*" and insert "*and containing*"
- Page 2, line 7, after the comma, insert "*or estate sales or farm auctions held at the decedent's residence.*"
- Page 2, delete lines 14 and 15
- Page 2, line 23, delete "*where*" and insert "*in which*"
- Page 2, line 29, after "*with*" insert "*the requirements of*"
- Page 2, line 29, delete "*through*" and insert "*to*"

Page 2, delete lines 30 to 33 and insert:

"(8) Transactions between licensed metal dealers if both dealers are licensed under section 3 or if the dealer's business is located outside of the state and the item is shipped from outside the state to a dealer licensed under section 3.

(9) Transactions in which the buyer of the secondhand item containing precious metal is engaged primarily in the business of buying and selling antiques, and the items are resold in an unaltered condition except for repair, and the items are resold at retail, and the buyer paid less than \$2,500 for secondhand items containing precious metals purchased within any period of 12 consecutive months."

Renumber the clauses in sequence

Page 3, line 5, after the comma insert "and locations of the"

Page 3, line 12, delete "copartnership" and insert "partnership"

Page 3, line 13, after the period insert "Each application shall be kept by the auditor for a period of no less than three years and shall be available for inspection only by employees of the county auditor, the county attorney, the attorney general, or by a peace officer."

Page 4, line 7, after the first period insert "The book shall contain the same information as required on the application for the license; provided, that the applicant's resident address and date of birth shall not be recorded."

Page 4, line 28, delete "or purchasing"

Page 5, line 20, delete "this section" and insert "section 10"

Page 5, line 33, delete "MUNICIPALITIES" and insert "GOVERNMENTAL SUBDIVISIONS"

Page 5, line 36, delete "city or other municipal corporation or"

Page 6, line 2, delete "the municipality" and insert "its jurisdiction in a manner more restrictive than sections 1 to 17; provided, that transactions described in section 2, subdivision 2, shall not be regulated in a manner inconsistent with sections 1 to 17"

Page 7, line 17, delete "15 and" and insert "14 to"

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

House Conferees: (Signed) Lawrence J. Pogemiller, Robert E. Vanasek, Kathleen A. Blatz

Senate Conferees: (Signed) Eric D. Petty, Clarence M. Purfeerst, James Ulland

Mr. Petty moved that the foregoing recommendations and Conference Committee Report on H. F. No. 79 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. 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knutson	Olhoff	Stern
Bang	Dicklich	Kroening	Pehler	Stokowski
Belanger	Dieterich	Kronebusch	Penny	Taylor
Benson	Engler	Langseth	Peterson, D.L.	Tennessee
Berg	Frank	Lantry	Peterson, R.W.	Ulland
Berglin	Frederick	Lessard	Petty	Vega
Bernhagen	Frederickson	Lindgren	Ramstad	Waldorf
Bertram	Hanson	Luther	Rued	Willet
Brataas	Hughes	Merriam	Schmitz	
Chmielewski	Humphrey	Moe, D. M.	Setzepfandt	
Dahl	Johnson	Moe, R. D.	Sieloff	
Davies	Knoll	Nelson	Spear	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Davies moved that S. F. No. 72 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 72 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 72: A bill for an act relating to elections; providing a penalty for preparing or disseminating certain false information; exempting certain broadcasters; amending Minnesota Statutes 1980, Section 210A.04.

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 54 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Kroening	Olhoff	Solon
Belanger	Engler	Kronebusch	Pehler	Spear
Benson	Frank	Langseth	Penny	Stern
Berg	Frederickson	Lantry	Peterson, D.L.	Stokowski
Bernhagen	Hanson	Lessard	Peterson, R.W.	Taylor
Bertram	Hughes	Lindgren	Petty	Tennessee
Chmielewski	Humphrey	Luther	Ramstad	Ulland
Dahl	Johnson	Merriam	Rued	Vega
Davies	Keefe	Moe, D. M.	Schmitz	Waldorf
Davis	Knoll	Moe, R. D.	Setzepfandt	Willet
Dicklich	Knutson	Nelson	Sieloff	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dicklich moved that S. F. No. 767 be taken from the table. The motion

prevailed.

CONCURRENCE AND REPASSAGE

Mr. Dicklich 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: A bill for an act relating to counties; providing for publication of certain salary and expense information; amending Minnesota Statutes 1980, Section 375.17.

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 1, as follows:

Those who voted in the affirmative were:

Bang	Engler	Langseth	Penny	Stern
Belanger	Frank	Lantry	Peterson, D.L.	Stokowski
Benson	Frederick	Lessard	Peterson, R.W.	Taylor
Berg	Frederickson	Lindgren	Petty	Tennesen
Bernhagen	Hanson	Luther	Ramstad	Ulland
Bertram	Hughes	Merriam	Rued	Vega
Dahl	Humphrey	Moe, D. M.	Schmitz	Waldorf
Davies	Johnson	Moe, R. D.	Setzepfandt	
Davis	Knoll	Nelson	Sieloff	
Dicklich	Kroening	Olhoft	Solon	
Dieterich	Kronebusch	Pehler	Spear	

Mr. Chmielewski voted in the negative.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Merriam moved that S. F. No. 1074 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 1074 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1074: A bill for an act relating to natural resources; extending the permissible term of agricultural leases of state peat lands; providing that certain lands may be sold; authorizing an easement on certain lands; amending Minnesota Statutes 1980, Section 92.50, 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 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Keefe	Nelson	Sieloff
Bang	Davis	Knoll	Olhoft	Spear
Belanger	Dicklich	Kroening	Pehler	Stern
Benson	Dieterich	Kronebusch	Penny	Stokowski
Berg	Engler	Langseth	Peterson, D.L.	Taylor
Berglin	Frank	Lantry	Peterson, R.W.	Tennessee
Bernhagen	Frederick	Lessard	Petty	Ulland
Bertram	Frederickson	Lindgren	Ramstad	Vega
Brataas	Hanson	Luther	Rued	Waldorf
Chmielewski	Hughes	Merriam	Schmitz	Willet
Dahl	Humphrey	Moe, R. D.	Setzepfandt	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 694 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 694

A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

May 13, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 694, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the amendments of the House and that S.F. No. 694 be further amended as follows:

Page 6, line 27, after the period, insert "*No person shall install a manufactured home in a manufactured home park as defined in section 327.14, subdivision 3, which is located within a governmental subdivision which has enacted an ordinance requiring that manufactured homes within its jurisdiction be secured by an anchoring system, unless the manufactured home is secured by an anchoring system which complies with the commissioner's rules.*"

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

Senate Conferees: (Signed) Irving M. Stern, Howard A. Knutson, Marion Menning

House Conferees: (Signed) Tom Rees, Gordon O. Voss, David B. Gruenes

Mr. Stern moved that the foregoing recommendations and Conference Committee Report on S. F. No. 694 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. 694 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 10, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kroening	Olhoft	Stern
Bang	Frank	Langseth	Pehler	Stokowski
Belanger	Frederick	Lantry	Petty	Taylor
Benson	Frederickson	Lessard	Ramstad	Tennessee
Berg	Hanson	Lindgren	Schmitz	Ulland
Brataas	Hughes	Luther	Setzepfandt	Vega
Dahl	Humphrey	Merriam	Sieloff	Waldorf
Davies	Keefe	Moe, R. D.	Solon	
Davis	Knoll	Nelson	Spear	

Those who voted in the negative were:

Bernhagen	Chmielewski	Kronebusch	Peterson, C.C.	Rued
Bertram	Engler	Penny	Peterson, D.L.	Willet

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that H. F. No. 1253 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1095, now on General Orders. The motion prevailed.

Mr. Stern introduced—

Senate Resolution No. 61: A Senate resolution extending congratulations to Belvin and Louise Anderson upon their 65th wedding anniversary.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Moe, D.M. introduced—

S.F. No. 1435: A bill for an act relating to metropolitan government; giving the metropolitan transit commission power to regulate the operation of taxicabs within the seven county metropolitan area; amending Minnesota Statutes 1980, Section 473.405, Subdivision 1; proposing new law coded in Minnesota Stat-

utes, Chapter 473.

Referred to the Committee on Transportation.

Messrs. Petty; Peterson, R.W.; Setzepfandt; Ulland and Sieloff introduced—

S.F. No. 1436: A bill for an act relating to municipal housing programs; providing that a city that has enacted a general system of residential rent control may not use certain authority granted regarding multifamily housing developments; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1.

Referred to the Committee on Local Government and Urban Affairs. Mr. Humphrey questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Dahl introduced—

S.F. No. 1437: A bill for an act relating to the city of White Bear Lake; permitting a property tax for park purposes.

Referred to the Committee on Local Government and Urban Affairs.

Messrs. Dahl; Humphrey; Moe, R.D.; Willet and Ashbach introduced—

S.F. No. 1438: A bill for an act relating to energy; establishing a state energy fund within the housing finance agency; authorizing issuance of bonds and notes to finance energy conservation measures; amending Minnesota Statutes 1980, Section 11A.24, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 462A.

Referred to the Committee on Energy and Housing.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Nelson moved that H. F. No. 766 be taken from the table. The motion prevailed.

CALL OF THE SENATE

Mr. Lindgren imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

SUSPENSION OF RULES

Mr. Nelson 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. 766 and that the rules of the Senate be so far suspended as to give H. F. No. 766 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 766 was read the second time.

Mr. Tennesen moved that his name be stricken as co-author to S. F. No. 756. The motion prevailed.

CALL OF THE SENATE

Mr. Nelson imposed a call of the Senate for the balance of the proceedings on H. F. No. 766. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Dieterich moved to amend H.F. No. 766 as follows:

Page 6, after line 18, insert:

“Sec. 2. [158.051] [EXPENSES TO BE PAID SOLELY FROM REVENUES.]

The loan agreement made pursuant to section 1, subdivision 4, shall provide that the operating expenses of the hospital shall be funded solely from patient fees and other hospital revenues. No other revenues of the university shall be used to meet the operating expenses of the hospital.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after “legislature;” insert “prohibiting the use of certain funds by the hospital;”

Page 1, line 7, after “money” insert “; proposing new law coded in Minnesota Statutes, Chapter 158”

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Berg	Langseth	Merriam	Peterson, D.L.	Stumpf
Berglin	Luther	Olhoft	Peterson, R.W.	Tennessee
Davies	Menning	Pehler	Spear	Waldorf
Dieterich				

Those who voted in the negative were:

Ashbach	Engler	Kroening	Petty	Solon
Bang	Frank	Kronebusch	Pillsbury	Stern
Belanger	Frederick	Lantry	Purfeerst	Stokowski
Bernhagen	Frederickson	Lessard	Ramstad	Taylor
Bertram	Humphrey	Lindgren	Renneke	Ulland
Brataas	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kcefe	Moe, R. D.	Schmitz	Willet
Davis	Knoll	Nelson	Setzepfandt	
Dicklich	Knutson	Peterson, C.C.	Sikorski	

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

Mr. Dieterich then moved to amend H.F. No. 766 as follows:

Page 5, line 33, delete “520” and insert “325”

Page 5, line 36, delete “520” and insert “325”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 42, as follows:

Those who voted in the affirmative were:

Berg	Knoll	Pehler	Schmitz	Waldorf
Bertram	Luther	Penny	Spear	Willet
Davies	Menning	Peterson, D.L.	Taylor	
Dieterich	Olhoft	Ramstad	Tennessee	

Those who voted in the negative were:

Ashbach	Engler	Kroening	Nelson	Solon
Bang	Frank	Kronebusch	Peterson, C. C.	Stern
Belanger	Frederick	Langseth	Peterson, R. W.	Stokowski
Benson	Frederickson	Lantry	Petty	Stumpf
Bernhagen	Hanson	Lessard	Pillsbury	Ulland
Brataas	Humphrey	Lindgren	Purfeerst	Vega
Chmielewski	Johnson	Merriam	Renneke	
Davis	Keefe	Moe, D. M.	Rued	
Dicklich	Knutson	Moe, R. D.	Setzepfandt	

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

Mr. Tennesen moved that H. F. No. 766 be referred to the Committee on Finance.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 21 and nays 37, as follows:

Those who voted in the affirmative were:

Benson	Dieterich	Menning	Ramstad	Waldorf
Berg	Frederickson	Olhoft	Schmitz	
Bertram	Kronebusch	Pehler	Spear	
Davis	Lindgren	Peterson, D. L.	Stumpf	
Davis	Luther	Purfeerst	Tennesen	

Those who voted in the negative were:

Ashbach	Frank	Langseth	Peterson, C. C.	Stokowski
Bang	Frederick	Lantry	Peterson, R. W.	Taylor
Belanger	Hanson	Lessard	Petty	Ulland
Bernhagen	Johnson	Merriam	Pillsbury	Vega
Brataas	Keefe	Moe, D. M.	Renneke	Willet
Chmielewski	Knoll	Moe, R. D.	Rued	
Dicklich	Knutson	Nelson	Setzepfandt	
Engler	Kroening	Penny	Stern	

The motion did not prevail.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson moved that the following members be excused for a Conference Committee on H. F. No. 1445 at 7:45 p.m.:

Messrs. Johnson; Hanson; Peterson, C. C.; Ms. Berglin and Mr. Pehler. The motion prevailed.

Mr. Dieterich moved to amend H.F. No. 766 as follows:

Page 5, line 33, delete "520" and insert "436"

Page 5, line 36, delete "520" and insert "436"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 30, as follows:

Those who voted in the affirmative were:

Benson	Davis	Menning	Purfeerst	Tennesen
Berg	Davis	Olhoft	Ramstad	Vega
Berglin	Dieterich	Penny	Schmitz	Waldorf
Bertram	Knoll	Peterson, D. L.	Spear	Willet
Chmielewski	Luther	Petty	Taylor	

Those who voted in the negative were:

Ashbach	Frank	Kroening	Merriam	Rued
Bang	Frederick	Kronebusch	Moe, R. D.	Setzpfandt
Bernhagen	Frederickson	Langseth	Nelson	Stern
Dahl	Hanson	Lantry	Peterson, R. W.	Stokowski
Dicklich	Humphrey	Lessard	Pillsbury	Stumpf
Engler	Keefe	Lindgren	Renneke	Ulland

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

H. F. No. 766 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

Mr. Moe, R. D. moved that those not voting be excused from voting. The motion prevailed.

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

Those who voted in the affirmative were:

Ashbach	Frank	Langseth	Penny	Sikorski
Bernhagen	Frederick	Lantry	Peterson, C.C.	Solon
Bertram	Hanson	Lessard	Peterson, R.W.	Stern
Brataas	Humphrey	Lindgren	Petty	Stokowski
Chmielewski	Johnson	Merriam	Pillsbury	Taylor
Dahl	Keefe	Moe, D. M.	Purfeerst	Ulland
Davis	Knoll	Moe, R. D.	Renneke	Vega
Dicklich	Knutson	Nelson	Rued	Willet
Engler	Kroening	Pehler	Setzpfandt	

Those who voted in the negative were:

Bang	Dieterich	Menning	Schmitz	Waldorf
Benson	Frederickson	Olhoft	Spear	
Berg	Kronebusch	Peterson, D.L.	Stumpf	
Davies	Luther	Ramstad	Tennessee	

So the bill passed and its title was agreed to.

Mr. Nelson moved that S. F. No. 756 be stricken from General Orders and laid on the table. The motion prevailed.

MEMBERS EXCUSED

Mr. Belanger was excused from the Session of today at 7:45 p.m. Mr. Hughes was excused from the Session of today at 6:30 p.m. Mr. Sieloff was excused from the Session of today at 7:00 p.m.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Purfeerst moved that the following members be excused for a Conference Committee on H. F. No. 553 from 1:00 to 5:00 p.m.:

Messrs. Purfeerst, Stern and Mrs. Lantry. The motion prevailed.

RECONSIDERATION

Mr. Menning moved that the vote whereby H. F. No. 353 failed to pass the Senate on May 12, 1981, be now reconsidered.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Friday, May 15, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-FIFTH DAY

St. Paul, Minnesota, Friday, May 15, 1981

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. John Fitzpatrick.

Oath of Office

The newly elected Senator, Mr. Randy P. Kamrath from the 20th District, presented his certificate of election and subscribed to the oath of office as administered by the Honorable John E. Simonette, Associate Justice of the Supreme Court.

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

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Spear
Bang	Engler	Langseth	Peterson, D. L.	Stern
Belanger	Frank	Lantry	Peterson, R. W.	Stokowski
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Lindgren	Pillsbury	Taylor
Berglin	Hanson	Luther	Purfeerst	Tennessen
Bernhagen	Hughes	Menning	Ramstad	Ulland
Bertram	Humphrey	Merriam	Renneke	Vega
Brataas	Johnson	Moe, D. M.	Rued	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Wegener
Dahl	Keefe	Nelson	Setzepfandt	Willet
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	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. Lessard was excused from the Session of today from 11:30 a.m. to 1:00 p.m. Mr. Peterson, D.L. was excused from the Session of today from 11:00 a.m. to 3:00 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 13, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 1343, 1058, 982, 207, 1122, 641, 771, 560 and 822.

Sincerely yours,

Albert H. Quie, Governor

May 13, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
207		180	May 13	May 13
560		181	May 13	May 13
641		182	May 13	May 13
771		183	May 13	May 13
982		184	May 13	May 13
1058		185	May 13	May 13
1122		186	May 13	May 13
1343		187	May 13	May 13
	142	188	May 13	May 13
	211	189	May 13	May 13
	217	190	May 13	May 13
	357	191	May 13	May 13
	624	192	May 13	May 13
	1218	193	May 13	May 13
	1344	194	May 13	May 13

Sincerely,

Joan Anderson Growe
Secretary of State

May 13, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
822		195	May 13	May 13
	921	196	May 13	May 13

Sincerely,

Joan Anderson Growe
Secretary of State

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. 28.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 56, 595, 136, 250, 268 and 535.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

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. 368: A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05, Subdivision 1.

Senate File No. 368 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S. F. No. 368, 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.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Peterson, C.C. moved that the following members be excused for a Conference Committee on S. F. No. 359 at 11:30 a.m.:

Messrs. Peterson, C.C.; Nelson; Moe, D.M.; Chmielewski and Benson. 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. 1188: A bill for an act relating to human rights; clarifying the meaning of reprisal; permitting the filing of a charge of unfair discriminatory practice directly in district court; permitting access to certain documents; granting certain powers to the commissioner of human rights; amending Minnesota Statutes 1980, Sections 363.03, Subdivision 7; 363.06, Subdivisions 1, 3, and 4, and by adding a subdivision; 363.14, Subdivision 1; repealing Minnesota Statutes 1980, Section 363.04, Subdivision 3.

Senate File No. 1188 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Moe, D.M. moved that the Senate concur in the amendments by the House to S. F. No. 1188 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1188: A bill for an act relating to human rights; clarifying the meaning of reprisal; defining certain terms; permitting the filing of a charge of unfair discriminatory practice directly in district court; permitting access to certain documents; granting certain powers to the commissioner of human rights and eliminating the requirement that the commissioner provide a bond; amending Minnesota Statutes 1980, Sections 363.03, Subdivision 7; 363.06, Subdivisions 1, 3, and 4, and by adding a subdivision; 363.14, Subdivision 1; repealing Minnesota Statutes 1980, Section 363.04, Subdivision 3.

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:

Ashbach	Dicklich	Knoll	Olhoft	Spear
Bang	Dieterich	Knutson	Pehler	Stern
Belanger	Engler	Kroening	Penny	Stokowski
Berg	Frank	Kronebusch	Peterson, C.C.	Stumpf
Berglin	Frederick	Langseth	Peterson, R.W.	Taylor
Bernhagen	Frederickson	Lantry	Petty	Tennessen
Bertram	Hanson	Lindgren	Pillsbury	Ulland
Brataas	Hughes	Luther	Purfeerst	Vega
Chmielewski	Humphrey	Merriam	Ramstad	Waldorf
Dahl	Johnson	Moe, D. M.	Renneke	Wegener
Davies	Kamrath	Moe, R. D.	Rued.	Willet
Davis	Keefe	Nelson	Schmitz	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S. F. No. 254: A bill for an act relating to natural resources; providing for the designation of endangered plant species; establishing a temporary technical advisory committee; amending Minnesota Statutes 1980, Section 97.488.

Senate File No. 254 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Peterson, C. C. moved that the Senate concur in the amendments by the House to S. F. No. 254 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 254 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 44 and nays 13, as follows:

Those who voted in the affirmative were:

Bang	Frank	Lantry	Penny	Stokowski
Belanger	Hanson	Lindgren	Peterson, C. C.	Stumpf
Berglin	Hughes	Luther	Peterson, R. W.	Tennessen
Chmielewski	Humphrey	Menning	Petty	Ulland
Dahl	Knoll	Merriam	Pillsbury	Vega
Davies	Knutson	Moe, D. M.	Purfeerst	Waldorf
Davis	Kroening	Moe, R. D.	Ramstad	Wegener
Dicklich	Kronebusch	Olhoft	Spear	Willet
Dieterich	Langseth	Pehler	Stern	

Those who voted in the negative were:

Berg	Engler	Kamrath	Rued	Taylor
Bernhagen	Frederick	Lessard	Schmitz	
Bertram	Frederickson	Renneke	Setzepfandt	

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. 436: A bill for an act relating to children; providing for review of foster care status of certain children; amending Minnesota Statutes 1980, Sections 257.071, Subdivisions 2, 3 and 4; 260.015, Subdivision 7; 260.111,

Subdivision 2; and 260.131, by adding a subdivision; proposing new law to be coded in Minnesota Statutes, Chapter 260.

Senate File No. 436 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Chmielewski moved that S. F. No. 436 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. 179: A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

Senate File No. 179 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Chmielewski moved that S. F. No. 179 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. 650: A bill for an act relating to education; providing for the inclusion of certain community college and state university faculty members in the definition of an employee under the public employment labor relations act of 1971; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

Senate File No. 650 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Pehler moved that S. F. No. 650 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. 188: A bill for an act relating to crimes; regulating the possession, use, sale, and furnishing of tear gas and tear gas compounds; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 624; repealing Minnesota Statutes 1980, Section 624.73.

Senate File No. 188 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mrs. Kronebusch moved that the Senate concur in the amendments by the House to S. F. No. 188 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 188 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 1, as follows:

Those who voted in the affirmative were:

Bang	Frank	Langseth	Petty	Stokowski
Belanger	Frederick	Lantry	Pillsbury	Stumpf
Berg	Hanson	Lindgren	Purfeerst	Taylor
Berglin	Hughes	Luther	Ramstad	Tennessee
Bernhagen	Humphrey	Menning	Renneke	Ulland
Bertram	Johnson	Merriam	Rued	Vega
Brataas	Kamrath	Moe, D. M.	Schmitz	Waldorf
Dahl	Keefe	Moe, R. D.	Setzepfandt	Wegener
Davis	Knoll	Olhoft	Sikorski	Willet
Dicklich	Knutson	Pehler	Solon	
Dieterich	Kroening	Penny	Spear	
Engler	Kronebusch	Peterson, R. W.	Stern	

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. 655: A bill for an act relating to financial institutions; permitting the sale of certain loans of credit unions; providing for the withdrawal of credit union members; amending Minnesota Statutes 1980, Sections 52.04 and 52.19.

Senate File No. 655 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Spear 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 49 and nays 7, as follows:

Those who voted in the affirmative were:

Bang	Engler	Kroening	Pillsbury	Stokowski
Belanger	Frank	Langseth	Purfeerst	Stumpf
Berghin	Frederickson	Lindgren	Ramstad	Taylor
Bernhagen	Hanson	Luther	Schmitz	Tennessen
Bertram	Hughes	Menning	Setzepfand	Ulland
Dahl	Humphrey	Merriam	Sieloff	Vega
Davies	Johnson	Olhoft	Sikorski	Waldorf
Davis	Keefe	Pehler	Solon	Wegener
Dicklich	Knoll	Peterson, R. W.	Spear	Willet
Dieterich	Knutson	Petty	Stern	

Those who voted in the negative were:

Brataas	Kronebusch	Penny	Renneke	Rued
Kamrath	Lantry			

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. 937: A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

Senate File No. 937 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Petty moved that the Senate do not concur in the amendments by the House to S. 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 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. 31: A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

Senate File No. 31 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

Mr. Dieterich moved that the Senate do not concur in the amendments by the House to S. F. No. 31, 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. 489: A bill for an act relating to crimes; immunity from prosecution; changing the current transactional immunity to conform with federal use immunity; amending Minnesota Statutes 1980, Section 609.09, Subdivision 1.

Senate File No. 489 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 489 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 489: A bill for an act relating to crimes; immunity from prosecution; changing the current transactional immunity to conform with federal use immunity; amending Minnesota Statutes 1980, Section 609.09.

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:

Bang	Engler	Kroening	Peterson, R. W.	Spear
Belanger	Frank	Kronebusch	Petty	Stern
Berg	Frederick	Langseth	Pillsbury	Stokowski
Berglin	Frederickson	Lantry	Purfeerst	Stumpf
Bernhagen	Hanson	Lindgren	Ramstad	Taylor
Bertram	Hughes	Luther	Renneke	Tennessee
Brataas	Humphrey	Menning	Rued	Ulland
Dahl	Johnson	Merriam	Schmitz	Vega
Davies	Kamrath	Moe, R. D.	Setzepfandt	Waldorf
Davis	Keefe	Olhoff	Sieloff	Wegener
Dicklich	Knoll	Pehler	Sikorski	Willet
Dieterich	Knutson	Penny	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 that the House refuses to concur in the Senate amendments to House File No. 769:

H. F. No. 769: A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

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

Anderson, B.; Kalis and Stowell have been appointed as such committee on the part of the House.

House File No. 769 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 14, 1981

Mr. Penny moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 769, 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. 1474:

H. F. No. 1474: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Sieben, M.; Carlson, L.; Welch; Nelsen, B. and Erickson have been appointed as such committee on the part of the House.

House File No. 1474 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 14, 1981

Mr. Willet moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1474, 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. 1475:

H: F. No. 1475: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Kahn; Anderson, G.; Sieben, M.; Valan and Metzen 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 14, 1981

Mr. Willet 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 has adopted the recommendation and report of the Conference Committee on House File No. 2, and re-passed said bill in accordance with the report of the Committee, so adopted.

House File No. 2 is herewith transmitted to the Senate .

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 14, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2

A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, Subdivision 3.

May 13, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 2, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendments adopted on April 27, 1981 and May 6, 1981, and that H.F. No. 2, the unofficial engrossment, be further amended as follows:

Page 4, line 9, delete "good"

Page 4, line 10, delete "cause exists" and insert "substantial mitigating factors exist"

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

House Conferees: (Signed) Stephen G. Wenzel, Paul McCarron, Connie M. Levi, Robert E. Vanasek

Senate Conferees: (Signed) Gene Waldorf, Marv Hanson, John B. Keefe, Gregory L. Dahl, Steven O. Lindgren

Mr. Waldorf moved that the foregoing recommendations and Conference Committee Report on H. F. No. 2 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. 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 56 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Frank	Kronebusch	Pillsbury	Stumpf
Bang	Frederick	Langseth	Purfeerst	Taylor
Belanger	Frederickson	Lantry	Ramstad	Tennessee
Berg	Hanson	Lindgren	Renneke	Ulland
Bernhagen	Hughes	Luther	Rued	Vega
Bertram	Humphrey	Menning	Schmitz	Waldorf
Brataas	Johnson	Merriam	Setzepfandt	Wegener
Dahl	Kamrath	Moe, R. D.	Sieloff	Willet
Davis	Keefe	Olhoft	Sikorski	
Dicklich	Knoll	Penny	Solon	
Dieterich	Knutson	Peterson, R. W.	Stern	
Engler	Kroening	Petty	Stokowski	

Messrs. Davies and Spear voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 665, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 665: A bill for an act relating to insurance; establishing standards

applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

Senate File No. 665 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

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. 694, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 694: A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

Senate File No. 694 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

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. 338: A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

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

Reding; Anderson, I. and Rodriguez, F.

Senate File No. 338 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

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. 400: A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

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

Lehto, Vanasek and Jennings.

Senate File No. 400 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

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. 886: A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

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

Clark, K.; Welch and Sviggum.

Senate File No. 886 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

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. 964: A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

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

Staten, Ogren and Clark, K.

Senate File No. 964 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 14, 1981

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 295 for comparison with 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.
295					355

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 295 be amended as follows:

Page 1, line 12, after "(5)" insert a comma

Page 1, line 20, after "disability" insert "benefit"

Page 2, line 24, delete "The"

Page 2, line 25, delete "The"

Page 2, line 26, delete "The"

Page 2, line 27, delete "The"

Page 2, line 28, delete "The"

Page 2, line 30, delete "The"

Page 2, line 30, delete "municipal"

Page 3, line 5, delete "Subd. 5." and insert "Sec. 2."

Page 3, line 6, delete "from the general fund"

Page 3, lines 6 to 8, delete "sum of \$5,785,361 in fiscal year 1982 and \$5,514,639 in fiscal year 1983" and insert "amount of \$11,300,000"

Page 3, line 19, delete "municipal"

Page 3, line 22, delete "2" and insert "3"

Page 3, line 23, delete "Section 1" and insert "This act"

And when so amended H. F. No. 295 will be identical to S. F. No. 355, and further recommends that H. F. No. 295 be given its second reading and substituted for S. F. No. 355, 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, R.D. from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1139, 403 and 968 for comparison with 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.
1139	1094				
403	311				
968	807				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1139 be amended as follows:

Page 2, line 11, delete "24" and insert "25"

Page 2, line 33, delete "ten" and insert "11"

Page 3, line 20, delete "January 1, 1981, in the second and in the fourth judicial districts" and insert "June 30, 1980, in the second and June 30, 1977, in the fourth judicial district"

Page 3, line 32, after the period insert "Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984."

Page 3, delete lines 33 to 36

Page 4, line 7, reinstate the stricken "June 30," delete "January 1, 1981" and insert "1980" and before "fourth" insert "June 30, 1978, in the"

Page 4, line 8, strike "districts" and insert "district"

Page 4, line 14, after the period insert "Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984."

Page 4, delete line 24 and insert:

"Subd. 7. The duties and powers of referees shall be as follows: "

Page 4, line 25, delete "(1)" and insert "(a)"

Page 4, line 26, delete "; and" and insert a period

Page 4, line 27, delete "(2)" and insert "(b)"

Page 4, line 29, delete "(b)" and insert "(c)"

Page 5, line 2, delete "(c)" and insert "(d)"

Page 5, after line 8, insert:

"Sec. 7. Minnesota Statutes 1980, Section 487.03, is amended by adding a subdivision to read:

Subd. 6. [JUDGE POSITIONS; CREATION; ABOLITION.] Notwith-

standing the provisions of sections 2.722 and 487.01:

(a) Upon the occurrence of one vacancy in the office of county court judge in the county court district comprised of Lincoln, Lyon, and Redwood counties, that vacant judgeship is abolished.

Upon the occurrence of one vacancy in the office of county court judge in the county court district comprised of Pipestone, Murray, Rock, and Nobles counties, that vacant judgeship is abolished.

Upon the occurrence of one vacancy in the office of county court judge in the county court district comprised of Jackson, Martin, and Faribault counties, that vacant judgeship is abolished.

Upon the occurrence of one vacancy in the office of county court judge in the county court district comprised of Nicollet, Brown, Cottonwood, and Watonwan counties, that vacant judgeship is abolished.

Upon the occurrence of the first two vacancies in the office of county court judge in the county court district comprised of Wilkin, Traverse, Grant, Stevens, Pope, and Big Stone counties, those vacant judgeships are abolished.

Upon the occurrence of the first two vacancies in the office of county court judge in the county court district comprised of Lac Qui Parle, Yellow Medicine, Chippewa, and Renville counties, those vacant judgeships are abolished.

Upon the occurrence of the first two vacancies in the office of county court judge in the county court district comprised of Kittson, Roseau, Marshall, Polk, Pennington, Red Lake, Norman, and Mahnomen counties those vacant judgeships are abolished.

Upon the occurrence of one vacancy in the office of county court judge in the counties of Crow Wing, Waseca, and Mower, each vacant judgeship is abolished.

(b) Upon the occurrence of a vacancy in the office of county court judge in Hubbard county, the vacant judgeship is abolished and a new office of county court judge is created in Itasca county. The governor shall appoint a qualified person to fill the office until a successor is elected and qualified. The successor shall be elected for a six year term at the next general election occurring more than one year after the appointment; and

(c) Upon the occurrence of the first vacancy in the office of county court judge in each of the counties of Carver and Scott, the vacant judgeship is abolished. When each judgeship is abolished under this clause, an additional office of judge of district court is created in the first judicial district. The governor shall appoint a qualified person to fill each office until a successor is elected and qualified. The successor shall be elected for a six year term at the next general election occurring more than one year after the appointment."

Page 6, after line 22, insert:

"Sec. 13. Minnesota Statutes 1980, Section 487.25, Subdivision 10, is amended to read:

Subd. 10. [PROSECUTING ATTORNEYS.] Violations of state law which are misdemeanors or gross misdemeanors, or of a municipal ordinance, charter provision, rule or regulation shall be prosecuted by the attorney of the municipi-

pality where the violation is alleged to have occurred if that municipality has an attorney. All other offenses shall be prosecuted by the county attorney of the county in which the alleged violation occurred."

Delete page 8, line 35 to page 9, line 6

Page 9, after line 30, insert:

"Sec. 21. Minnesota Statutes 1980, Section 488A.18, Subdivision 9, is amended to read:

Subd. 9. [TERRITORIAL JURISDICTION.] ~~The summons in civil and forcible entry and unlawful detainer actions may be served only within the county of Ramsey. Garnishment summons, subpoenas and All other civil and criminal process and orders may be served and enforced anywhere within the state of Minnesota.~~

Sec. 22. Minnesota Statutes 1980, Section 489.01, is amended to read:

489.01 [ELECTION; TERM; OFFICE ABOLISHED.]

Subdivision 1. [OFFICE ABOLISHED.] The office of court commissioner is abolished. No vacancy in the office of court commissioner shall be filled.

Subd. 2. [INCUMBENTS.] Persons holding the office of court commissioner in all counties except Ramsey county may continue to serve until the incumbent's term of office expires. The person holding the office of court commissioner on January 1, 1981, in Ramsey county may continue to serve at the pleasure of the appointing authority under the terms and conditions of this appointment.

Subd. 3. [COURT COMMISSIONER.] In each county in the state there shall be elected at the general election in 1918 a court commissioner. The term of office of the court commissioner shall be four years ~~and until his successor is elected and qualified,~~ and begin on the first Monday in January next succeeding his election. This office shall be filled by election every four years thereafter. One person may hold at the same time the offices of court commissioner and probate judge."

Page 10, line 2, delete "*January 1, 1981, in the second and in the fourth judicial districts*" and insert "*June 30, 1980, in the second and August 15, 1980, in the fourth judicial district*"

Page 10, line 9, after the period insert "*Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.*"

Delete page 10, line 26 to page 15, line 7 and insert:

"Sec. 24. [REPEALER.]

Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; and 525.04, are repealed.

Sec. 25. [APPROPRIATION.]

The sum of \$756,000 is appropriated for the salaries and fringe benefits of the additional judges appointed pursuant to section 1, to be available for the fiscal year ending June 30 in the years indicated.

1982	1983
\$215,000	\$541,000

Sec. 26. [EFFECTIVE DATE.]

Section 7 of this act is effective upon final enactment. Sections 11, 12, 13, 15, 18, 19, and 20 are effective January 1, 1982. The remaining sections are effective August 1, 1981, except that three of the new judge positions created by section 1 in the fourth judicial district and three of the new judge positions created by section 1 in the tenth judicial district shall not be filled until July 1, 1982.

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 4 to 28 and insert:

“providing that Hennepin and Ramsey municipal courts shall also be probate courts; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; abolishing the office of court commissioner; providing for continuance of the Ramsey county court commissioner position for a limited time; changing the jurisdiction of county courts and county municipal courts; providing for the prosecution of gross misdemeanors by municipalities; creating certain judicial positions; abolishing certain judicial positions by attrition; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.03, by adding a subdivision; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 487.25, Subdivision 10; 488A.01, Subdivisions 4, 6, and 8; 488A.18, Subdivisions 4, 7, 9, and 13; 488A.27, Subdivision 11; 489.01; 525.10; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; and 525.04.”

And when so amended H. F. No. 1139 will be identical to S. F. No. 1094, and further recommends that H. F. No. 1139 be given its second reading and substituted for S. F. No. 1094, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 403 be amended as follows:

Page 1, line 11, delete “shareholders” and insert “members”

Page 1, line 14, delete “shareholders” and insert “members”

Page 1, line 18, before “at” insert “at wholesale to other Minnesota cooperative electric associations or”

Page 2, line 9, delete everything after the period

Page 2, delete lines 10 to 14

Page 2, line 16, after “retail” insert “or wholesale”

Page 2, line 17, delete “shareholders” and insert “members”

Page 2, delete lines 18 to 24 and insert “members’ spouses.”

Page 2, line 25, delete “electric requirements.”

Page 2, line 26, delete "*negotiations*" and insert "*disputes*" and delete "*and*" and insert a comma

Page 2, line 27, after "*accounts*" insert "*, and other similar subjects which must be kept confidential for effective operation*"

Page 2, line 28, after the period insert "*Members shall be given reasonable notice of all meetings.*"

Page 3, line 7, delete "*shareholders*" and insert "*members*"

Page 3, line 8, delete "*shareholders*" and insert "*members*"

Page 3, delete lines 11 to 15 and insert "*names and last known addresses of all members to the organizers of the petition to enable them to present their position on the matter to the members.*"

Subd. 7. [PENALTIES.] In addition to the remedies provided in this chapter, the commission, by a majority vote of its members, may commence proceedings in the district court of any county in which repeated and willful violations of this section have occurred for a temporary or permanent injunction against any person violating any provision of this section."

And when so amended H. F. No. 403 will be identical to S. F. No. 311, and further recommends that H. F. No. 403 be given its second reading and substituted for S. F. No. 311, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 968 be amended as follows:

Delete page 1, line 11 to page 2, line 36 and insert:

"Section 1. [626.86] [PEACE OFFICERS TRAINING ACCOUNT.]

Money appropriated for peace officers training shall be expended as follows:

(a) Ten percent shall be provided for reimbursement to board approved skills courses in proportion to the number of students successfully completing the board's skills licensing examination.

(b) To each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount shall be used exclusively for reimbursement of the cost of in-service training required under chapters 214 and 626."

Page 3, line 1, delete "[626.862]" and insert "[626.861]"

Page 3, lines 3 and 4, delete "*On and after the effective date of sections 1, 2, and 3,*"

Page 3, line 36, delete "*Minnesota Statutes,*"

Page 4, line 3, delete "*section 3,*"

Page 4, delete lines 13 to 17 and insert "*the state treasurer for deposit in the general fund for peace officers training, in the same manner as fines collected for the state by a county. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section."*

Delete page 4, line 35 to page 6, line 21 and insert:

“Sec. 4. Minnesota Statutes 1980, Section 626.845, Subdivision 1, is amended to read:

Subdivision 1. The board shall have the following powers and duties:

(a) To certify peace officers' training schools or programs administered by state, county and municipalities located within this state in whole or in part no later than 90 days after receipt of an application for certification. The reasons for noncertification of any school or program or part thereof shall be transmitted to the school within 90 days and shall contain a detailed explanation of the reasons for which the school or program was disapproved and an explanation of what supporting material or other requirements are necessary for the board to reconsider. Disapproval of a school or program shall not preclude the reapplication for certification of the school or program;

(b) To issue certificates to schools, and to revoke such certification when necessary to maintain the objectives and purposes of sections 626.841 to 626.855;

(c) To certify, as qualified, instructors at peace officer training schools, and to issue appropriate certificates to such instructors;

(d) To license peace officers who have satisfactorily completed certified basic training programs, 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 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 standards and training;

(i) To perform such other acts as may be necessary and appropriate to carry out the powers and duties as set forth in the provisions of sections 626.841 to 626.855;

(j) To coordinate the provision, on a regional basis, of skills oriented basic training courses to graduates of certified law enforcement training schools or programs; and

(k) *To prepare and transmit annually to the governor and the legislature a report of its activities with respect to allocation of moneys appropriated to it for peace officers training, including the name and address of each recipient of money for that purpose, the amount awarded, and the purpose of the award.*”

Page 7, line 24, delete “3” and insert “2”

Delete page 7, line 25 to page 8, line 5 and insert:

“Sec. 6. [APPROPRIATION.]

The sum of \$1,000,000 is appropriated from the general fund to the peace officers training account created in section 1, to be available for the fiscal year ending June 30, 1983.

Sec. 7. [EFFECTIVE DATE.]

This act is effective January 1, 1982. Section 1 applies to all petty misdemeanors, criminal offenses, and violations of Minnesota Statutes, Chapters 168 to 173, or equivalent local traffic ordinances except parking violations committed on or after that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 8, and insert:

"relating to penalties for crimes; authorizing penalty assessments for peace officers training; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 588.01, Subdivision 3; 626.845, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 626."

And when so amended H. F. No. 968 will be identical to S. F. No. 807, and further recommends that H. F. No. 968 be given its second reading and substituted for S. F. No. 807, 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, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 1253 for comparison with 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.
1253	1095				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1253 be amended as follows:

Page 1, line 26, delete "[FORMULA.]" and insert "[ALLOCATION OF FUNDS AMONG COMMUNITY ACTION AGENCIES.]"

Page 2, line 1, delete "so"

Page 2, delete lines 2 to 5 and insert "under either clause (a) or (b), which ever is more advantageous to the agency."

Page 2, before line 6, insert:

"(a) In proportion to the size of the poverty level population served by the agency when compared to the size of the poverty level population in the state; or

(b) determined as follows:

(1) *If the appropriation of funds for community action agencies shall be equal to that available in fiscal years 1979 and 1980, there shall be in place a "hold-harmless" provision for the allocation of funds among community action agencies. For purposes of this act, "hold-harmless" shall be defined as the amount of funding received by a community action program under the Economic Opportunity Grant Program in fiscal year 1980.*

(2) *If the appropriation of funds for community action agencies shall be decreased from the amount available in fiscal years 1979 and 1980, the reduction shall be made proportional as a percentage of the funds received under the Minnesota Economic Opportunity Grant Program by each community action agency in fiscal year 1980.*

(3) *If the appropriation of funds for community action agencies shall be increased from the amount available in fiscal years 1979 and 1980, the "hold-harmless" provision of subdivision 2, clause (a), shall be in effect. Funds appropriated in excess of the amount of the 1980 appropriation shall be allocated to those community action agencies whose 1980 funding level is less than its proportionate share of the poverty level population served as compared to the size of the poverty level population in the state. For the purposes of this act, "poverty level population" shall be defined as the number of people whose household income is below the poverty line established by the U.S. Department of Commerce, Bureau of the Census. These excess funds shall be allocated proportionally among these agencies in relation to their level of deviation from the mean "dollars per poor person" among all agencies receiving funds under this act.*

If the appropriation is insufficient to fully fund each agency, the insufficiency shall be prorated among the agencies."

Page 2, line 9, delete "this act" and insert "sections 2 to 4"

Page 2, line 10, delete "shall be defined as" and insert "means"

Page 6, delete lines 2 and 3

And when so amended H. F. No. 1253 will be identical to S. F. No. 1095, and further recommends that H. F. No. 1253 be given its second reading and substituted for S. F. No. 1095, 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. 295, 1139, 403, 968 and 1253 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that the name of Mr. Pehler be added as co-author to S. F. No. 1250. The motion prevailed.

CALL OF THE SENATE

Mr. Menning imposed a call of the Senate for the proceedings on H. F. No. 353. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 353: A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

RECONSIDERATION

The question recurred on the motion of Mr. Menning made May 14, 1981, that the vote whereby H. F. No. 353 failed to pass on May 12, 1981, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 31 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Lindgren	Renneke	Vega
Berg	Frederickson	Menning	Rued	Wegener
Bernhagen	Hanson	Moe, R. D.	Schmitz	Willet
Bertram	Humphrey	Olhoft	Setzepfandt	
Davis	Kamrath	Penny	Sieloff	
Dicklich	Kronebusch	Pillsbury	Solon	
Engler	Langseth	Purfeerst	Taylor	

Those who voted in the negative were:

Belanger	Frank	Lantry	Sikorski	Ulland
Berglin	Hughes	Luther	Spear	Waldorf
Brataas	Keefe	Merriam	Stern	
Dahl	Knoll	Peterson, R. W.	Stokowski	
Davies	Knutson	Petty	Stumpf	
Dieterich	Kroening	Ramstad	Tennessee	

The motion prevailed.

H. F. No. 353 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

Mr. Luther moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 36 and nays 27, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Menning	Purfeerst	Taylor
Belanger	Frederickson	Moe, R. D.	Renneke	Vega
Benson	Hanson	Nelson	Rued	Wegener
Berg	Johnson	Olhoft	Schmitz	Willet
Bernhagen	Kamrath	Pehler	Setzepfandt	
Bertram	Kronebusch	Penny	Sieloff	
Davis	Langseth	Peterson, C. C.	Sikorski	
Engler	Lindgren	Pillsbury	Solon	

Those who voted in the negative were:

Ashbach	Dieterich	Kroening	Petty	Tennessee
Berglin	Frank	Lantry	Ramstad	Ulland
Brataas	Hughes	Luther	Spear	Waldorf
Dahl	Keefe	Merriam	Stern	
Davies	Knoll	Moe, D. M.	Stokowski	
Dicklich	Knutson	Peterson, R. W.	Stumpf	

So the bill passed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Johnson moved that the following members be excused for a Conference Committee on H. F. No. 1445 at 12:00 noon:

Messrs. Johnson; Peterson, C.C.; Hanson; Pehler and Ms. Berglin. The motion prevailed.

Pursuant to Rule 21, Mr. Pillsbury moved that the following members be excused for a Conference Committee on H. F. No. 678 at 1:00 p.m.:

Messrs. Stumpf, Schmitz and Pillsbury. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Merriam moved that S. F. No. 1040 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 1040 and that the bill be placed on its repassage as amended. The motion prevailed.

Pursuant to Rule 22, Mr. Stern requested that he be excused from voting on S. F. No. 1040. Without objection, he was excused.

S. F. No. 1040: A bill for an act relating to the environment; clarifying terms, procedures, powers, and duties in the waste management act and for counties and metropolitan waste management; extending time limits for site selections and reports; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivisions 4 and 5, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c, 2e, and by adding a subdivision; 473.153, Subdivisions 1, 2 and 6; 473.516, Subdivision 4; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, 8, and by adding subdivisions; 473.831, Subdivision 1; 473.833, by adding a subdivision; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 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 46 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Peterson, R. W.	Stokowski
Bang	Dieterich	Langseth	Petty	Taylor
Belanger	Engler	Lantry	Purfeerst	Tennessee
Berg	Frank	Lindgren	Ramstad	Ulland
Bernhagen	Frederickson	Luther	Rued	Waldorf
Brataas	Hanson	Menning	Setzepfandt	Willet
Chmielewski	Humphrey	Merriam	Sieloff	
Dahl	Knoll	Moe, R. D.	Sikorski	
Davies	Knutson	Olhoff	Solon	
Davis	Kroening	Penny	Spear	

Messrs. Bertram, Kamrath and Renneke voted in the negative.

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 3:00 p.m. The motion prevailed.

The hour of 3:00 p.m. having arrived, the President called the Senate to order.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 4:00 p. m. The motion prevailed.

The hour of 4:00 p. m. having arrived, the President called the Senate to order.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Stern moved that the following members be excused for a Conference Committee on S. F. No. 886 at 4:00 p.m.:

Messrs. Stern, Benson and Dicklich. The motion prevailed.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Nelson moved that S. F. No. 775 be withdrawn from the Committee on Health, Welfare and Corrections and placed on General Orders. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and waive the lie-over requirement. The motion prevailed.

CALENDAR

H. F. No. 1051: A bill for an act relating to health; changing the claim

limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; changing the penalties for violations; amending Minnesota Statutes 1980, Sections 145.22; 156A.02, Subdivisions 1, 2, and 3; 156A.03; Subdivisions 1 and 2; 156A.05; 156A.07, Subdivisions 1 and 4; and 156A.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 51 and nays 8, as follows:

Those who voted in the affirmative were:

Bang	Frank	Luther	Ramstad	Stumpf
Belanger	Frederickson	Menning	Renneke	Taylor
Benson	Humphrey	Moe, D. M.	Rued	Tennessee
Bertram	Johnson	Moe, R. D.	Schmitz	Vega
Brataas	Knoll	Nelson	Setzepfandt	Waldorf
Chmielewski	Knutson	Pehler	Sieloff	Wegener
Dahl	Kroening	Peterson, C. C.	Sikorski	Willet
Davies	Kronebusch	Peterson, D. L.	Solon	
Davis	Lantry	Peterson, R. W.	Spear	
Dicklich	Lessard	Petty	Stern	
Engler	Lindgren	Purfeerst	Stokowski	

Those who voted in the negative were:

Ashbach	Bernhagen	Kamrath	Pillsbury	Ulland
Berg	Frederick	Penny		

So the bill passed and its title was agreed to.

H. F. No. 986: A bill for an act relating to financial institutions; savings associations; increasing the loan term of direct reduction loans; providing for the organization, operation, conversion, merger, reorganization, consolidation, and dissolution of mutual and capital stock associations; granting the commissioner certain supervisory powers; providing certain examination and reporting requirements; authorizing the issuance and sale of capital certificates; authorizing the payment of dividends on capital stock; authorizing the issuance of certain accounts to married persons or minors as sole owners thereof; defining terms; prescribing penalties; amending Minnesota Statutes 1980, Sections 51A.02, Subdivisions 2 and 4, and by adding subdivisions; 51A.03; 51A.04; 51A.07; 51A.08; 51A.09; 51A.10; 51A.11; 51A.12; 51A.13; 51A.15, Subdivision 7; 51A.19, Subdivision 1, and by adding subdivisions; 51A.20; 51A.21, Subdivision 5, and by adding subdivisions; 51A.22; 51A.50; 51A.52; 51A.53; proposing new law coded in Minnesota Statutes, Chapter 51A; repealing Minnesota Statutes 1980, Sections 51A.06; and 51A.49.

Was read the third time 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:

Ashbach	Dieterich	Langseth	Peterson, C. C.	Solon
Bang	Engler	Lantry	Peterson, D. L.	Spear
Belanger	Frank	Lessard	Peterson, R. W.	Stern
Benson	Frederick	Lindgren	Petty	Stokowski
Berg	Frederickson	Luther	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Taylor
Bertram	Hughes	Merriam	Ramstad	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	
Dicklich	Kronebusch	Penny	Sikorski	

Mr. Willet voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 810: A bill for an act relating to pollution; authorizing water pollution control fund grants for certain wastewater treatment projects; amending Minnesota Statutes 1980, Section 116.18, 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:

Ashbach	Dieterich	Langseth	Peterson, C. C.	Solon
Bang	Engler	Lantry	Peterson, D. L.	Stern
Belanger	Frank	Lessard	Peterson, R. W.	Stokowski
Benson	Frederick	Lindgren	Petty	Stumpf
Berg	Frederickson	Luther	Pillsbury	Taylor
Bernhagen	Hanson	Menning	Purfeerst	Tennessee
Bertram	Hughes	Merriam	Ramstad	Ulland
Brataas	Humphrey	Moe, D. M.	Renneke	Vega
Chmielewski	Johnson	Moe, R. D.	Rued	Waldorf
Dahl	Kamrath	Nelson	Schmitz	Wegener
Davies	Knoll	Olhoft	Setzepfandt	Willet
Davis	Kroening	Pehler	Sieloff	
Dicklich	Kronebusch	Penny	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 1160: A bill for an act relating to commerce; removing the auctioneer's exception to the definition of "real estate broker"; exempting certain real estate brokers and salespersons from the licensing requirements for mobile home manufacturers and dealers; amending Minnesota Statutes 1980, Sections 82.18; 82.34, Subdivision 7; and 327.55, 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 1, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, D.L.	Spear
Bang	Frank	Lessard	Peterson, R.W.	Stern
Belanger	Frederick	Lindgren	Petty	Stokowski
Benson	Frederickson	Luther	Pillsbury	Stumpf
Berg	Hanson	Menning	Purfeerst	Taylor
Bernhagen	Hughes	Merriam	Ramstad	Tennessee
Brataas	Humphrey	Moe, D. M.	Renneke	Ulland
Chmielewski	Johnson	Moe, R. D.	Rued	Vega
Dahl	Kamrath	Nelson	Schmitz	Waldorf
Davies	Knoll	Olhoft	Setzepfandt	Wegener
Davis	Kroening	Pehler	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	
Dieterich	Langseth	Peterson, C.C.	Solon	

Mr. Bertram voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Purfeerst moved that S. F. No. 789, No. 24 on General Orders, be stricken and returned to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 179 be taken from the table. The motion prevailed.

Mr. Chmielewski moved that the Senate do not concur in the amendments by the House to S. F. No. 179, 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. Chmielewski moved that S. F. No. 1154 be taken from the table. The motion prevailed.

Mr. Chmielewski moved that the Senate do not concur in the amendments by the House to S. F. No. 1154, 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.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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. 120: A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 333.055, Subdivision 4; 333.19, Subdivision 1; 367.42, Subdivi-

sion 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 300, 302A, and 316; repealing Minnesota Statutes 1980, Sections 300.082 and 301.01 to 301.67.

Senate File No. 120 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Petty 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: A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 333.055, Subdivision 4; 333.19, Subdivision 1; 367.42, Subdivision 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 300, 302A, and 316; repealing Minnesota Statutes 1980, Sections 300.082 and 301.01 to 301.67.

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 58 and nays 2, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lantry	Peterson, C. C.	Sikorski
Belanger	Frank	Lessard	Peterson, D. L.	Stokowski
Benson	Frederick	Lindgren	Peterson, R. W.	Stumpf
Berg	Frederickson	Luther	Petty	Taylor
Bernhagen	Hughes	Menning	Pillsbury	Tennessee
Bertram	Humphrey	Merriam	Purfeerst	Ulland
Brataas	Keefe	Moe, D. M.	Ramstad	Vega
Chmielewski	Knoll	Moe, R. D.	Renneke	Waldorf
Dahl	Knutson	Nelson	Rued	Wegener
Davies	Kroening	Olhoft	Schmitz	Willet
Davis	Kronebusch	Pehler	Setzepfandt	
Dieterich	Langseth	Penny	Sieloff	

Messrs. Ashbach and Kamrath voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 396 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 396 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 396

A bill for an act relating to the military; requiring the adjutant general to furnish an American flag upon request of the person disposing of the remains of a deceased person who served six years or more in the Minnesota national guard; proposing new law coded in Minnesota Statutes, Chapter 192.

April 29, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 396, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: (Signed) David M. Jennings, Glen H. Anderson, Richard J. Kostohryz

Senate Conferees: (Signed) Robert J. Schmitz, Glen Taylor, Florian Chmielewski

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on H. F. No. 396 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. 396 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:

Ashbach	Dicklich	Kronebusch	Pehler	Sieloff
Belanger	Dieterich	Langseth	Penny	Sikorski
Benson	Engler	Lantry	Peterson, D.L.	Stokowski
Berg	Frank	Lessard	Peterson, R.W.	Stumpf
Berglin	Frederick	Lindgren	Petty	Taylor
Bernhagen	Frederickson	Luther	Pillsbury	Tennessee
Bertram	Hughes	Menning	Purfeerst	Ulland
Brataas	Humphrey	Merriam	Ramstad	Vega
Chmielewski	Kamrath	Moe, D. M.	Renneke	Waldorf
Dahl	Knoll	Moe, R. D.	Rued	Wegener
Davies	Knutson	Nelson	Schmitz	Willet
Davis	Kroening	Olhoft	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. 157, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 157 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 157

A bill for an act relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare; amending Minnesota Statutes 1980, Section 257.33.

May 14, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 157, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: (Signed) Shirley A. Hokanson, Janet H. Clark, Kenneth P. Zubay

Senate Conferees: (Signed) Linda Berglin, Ronald R. Dicklich, Duane D. Benson

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on H. F. No. 157 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. 157 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 18, as follows:

Those who voted in the affirmative were:

Belanger	Hughes	Luther	Peterson, R. W.	Stokowski
Berglin	Humphrey	Menning	Petty	Stumpf
Dahl	Keefe	Merriam	Purfeerst	Tennessee
Davies	Knoll	Moe, D. M.	Schmitz	Vega
Davis	Knutson	Moe, R. D.	Setzepfandt	Waldorf
Dicklich	Kroening	Neison	Sieloff	Wegener
Dieterich	Kronebusch	Olhoft	Sikorski	Willet
Engler	Langseth	Pehler	Spear	
Frank	Lantry	Penny	Stern	

Those who voted in the negative were:

Ashbach	Brataas	Kamrath	Pillsbury	Taylor
Berg	Chmielewski	Lessard	Ramstad	Ulland
Bernhagen	Frederick	Lindgren	Renneke	
Bertram	Frederickson	Peterson, D.L.	Rued	

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. 586 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 586 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 586

A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

May 13, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 586, 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. 586 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 15.1695, Subdivision 1, is amended to read:

Subdivision 1. When collected, created, or maintained by law enforcement agencies including municipal police departments, county sheriff departments, the bureau of criminal apprehension, the Minnesota state patrol, the peace officers standards and training board, or public prosecutors or defenders:

(a) Data on participants in crime prevention programs including lists of property with identification numbers or evaluations or recommendations related to structural security against unauthorized entry is private; and

(b) Data contained on incident complaint reports, variously called logs or dockets, comprising a chronological record of events, shall be public; provided

that data on individuals which could reasonably be used to determine the identity of an undercover agent, informant, or victim of criminal sexual conduct or *intrafamilial sexual abuse* shall be private data on individuals; provided further that any other data classified by law as private or confidential contained in incident complaint reports shall remain private or confidential data.

Sec. 2. Minnesota Statutes 1980, Section 518B.01, Subdivision 6, is amended to read:

Subd. 6. [RELIEF BY THE COURT.] Upon notice and hearing, the court may provide relief as follows:

- (a) Restrain any party from committing acts of domestic abuse;
- (b) Exclude the abusing party from the dwelling which the parties share or from the residence of the petitioner;
- (c) On the same basis as is provided in chapter 518, award temporary custody or establish temporary visitation with regard to minor children of the parties;
- (d) On the same basis as is provided in chapter 518, establish temporary support for minor children or a spouse;
- (e) Provide counseling or other social services for the parties, if married, or if there are minor children;
- (f) *Order the abusing party to participate in treatment or counseling services;*
- (g) Order, in its discretion, other relief as it deems necessary for the protection of a family or household member, including orders or directives to the sheriff or constable, as provided by this section.

Any relief granted by the order for protection shall be for a fixed period not to exceed one year.

Sec. 3. Minnesota Statutes 1980, Section 595.02, is amended to read:

595.02 [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the

course of professional duty; nor can any employee of ~~such~~ *the* attorney be examined as to ~~such~~ *the* communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice; aid, or comfort or his advice given thereon in the course of his professional character, without the consent of ~~such~~ *the* person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity; and which was necessary to enable him to act in that capacity; after the decease of ~~such~~ *the* patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of ~~such~~ *the* deceased person for the purpose of waiving ~~the~~ *this* privilege ~~hereinbefore created~~, and no oral or written waiver of the privilege ~~hereinbefore created~~ shall have any binding force or effect except ~~that the same be~~ *when* made upon the trial or examination where the evidence is offered or received;

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses. *This exception does not apply to a child under ten years of age, in a criminal proceeding for intrafamilial sexual abuse as defined in section 7, subdivision 10, or in a criminal proceeding under sections 609.342 clause (a), 609.343 clause (a), 609.344 clause (a), or 609.345 clause (a), who is able to describe or relate in language appropriate for a child of that age the events or facts respecting which the child is examined;*

(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

Sec. 4. Minnesota Statutes 1980, Section 609.346, is amended to read:

609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. If a person is convicted of a second or subsequent offense under sections 609.342 to ~~609.346~~ 609.345 or sections 7 to 11 within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

Subd. 2. For the purposes of this section, an offense is considered a second

or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.346 or sections 7 to 11 or under any similar statute of the United States, or this or any other state.

Sec. 5. Minnesota Statutes 1980, Section 609.348, is amended to read:

609.348 [MEDICAL PURPOSES; EXCLUSION.]

Laws 1975, Chapter 374, and sections 7 to 11 shall not apply to sexual penetration or sexual contact when done for a bona fide medical purpose.

Sec. 6. Minnesota Statutes 1980, Section 609.35, is amended to read:

609.35 [COSTS OF MEDICAL EXAMINATION.]

No costs incurred by a county, city, or private hospital or other emergency medical facility or by a private physician for the examination of a complainant of criminal sexual conduct or *intrafamilial sexual abuse*, as defined in section 7, subdivision 10, when the examination is performed for the purpose of gathering evidence for possible prosecution, shall be charged directly or indirectly to the complainant. The reasonable costs of such the examination shall be paid by the county in which the alleged offense was committed. Nothing in this section shall be construed to limit the duties, responsibilities, or liabilities of any insurer, whether public or private.

Sec. 7. [609.364] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 3 and 7 to 11, the terms in this section have the meanings given them.

Subd. 2. [ACTOR.] "Actor" means an adult accused of intrafamilial sexual abuse.

Subd. 3. [CHILD.] "Child" means a person under age 16.

Subd. 4. [COERCION.] "Coercion" means a threat to unlawfully inflict bodily harm upon, or hold in confinement, the person threatened or another.

Subd. 5. [COMPLAINANT.] "Complainant" means a child or minor alleging to have been subjected to intrafamilial sexual abuse, but need not be the person who signs the complaint.

Subd. 6. [CONSENT.] "Consent" means a voluntary uncoerced manifestation of a present agreement to perform a particular sexual act.

Subd. 7. [FORCE.] "Force" means the infliction, attempted infliction, or threatened infliction by the actor of bodily harm or commission or threat of any other crime by the actor against the complainant or another, which causes the complainant to reasonably believe that the actor has the present ability to execute the threat.

Subd. 8. [INTIMATE PARTS.] "Intimate parts" includes the primary genital area, groin, inner thigh, buttocks, or breast of a human being.

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

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

(b) *Nearer of kin to the complainant than first cousin, computed by rules of*

the civil law, whether of the half or the whole blood;

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

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

Subd. 10. [INTRAFAMILIAL SEXUAL ABUSE.] "Intrafamilial sexual abuse" means sexual contact or sexual penetration, or both, of a child or minor when the actor has a familial relationship to the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Subd. 11. [MINOR.] "Minor" means a person under age 18 but age 16 or over.

Subd. 12. [PERSONAL INJURY.] "Personal injury" means bodily harm as defined in section 609.02, subdivision 7, or severe mental anguish, or pregnancy.

Subd. 13. [SEXUAL CONTACT.] "Sexual contact" includes any of the following acts, if the acts can reasonably be construed as being for the purpose of satisfying the actor's sexual or aggressive impulses:

(a) The intentional touching by the actor of the complainant's intimate parts;

(b) The touching by the complainant of the actor's, the complainant's, or another's intimate parts;

(c) The touching by another of the complainant's intimate parts; or

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

Subd. 14. [SEXUAL PENETRATION.] "Sexual penetration" means sexual intercourse, cunnilingus, fellatio, anal intercourse, or any intrusion however slight into the genital or anal openings of the complainant's body of any part of the actor's body or any object used by the actor for this purpose. Emission of semen is not necessary.

Sec. 8. [609.3641] [INTRAFAMILIAL SEXUAL ABUSE IN THE FIRST DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the first degree if:

(1) He has a familial relationship to and engages in sexual penetration with a child; or

(2) He has a familial relationship to and engages in sexual penetration with a child and:

(a) the actor or an accomplice used force or coercion to accomplish the penetration;

(b) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably

believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than 20 years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than 20 years.

Sec. 9. [609.3642] [INTRAFAMILIAL SEXUAL ABUSE IN THE SECOND DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the second degree if:

(1) He has a familial relationship to and engages in sexual contact with a child; or

(2) He has a familial relationship to and engages in sexual contact with a child and:

(a) the actor or an accomplice used force or coercion to accomplish the contact;

(b) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than 15 years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than 15 years.

Sec. 10. [609.3643] [INTRAFAMILIAL SEXUAL ABUSE IN THE THIRD DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the third degree if:

(1) He has a familial relationship to and engages in sexual penetration with a minor; or

(2) He has a familial relationship to and engages in sexual penetration with a minor and:

(a) the actor or an accomplice used force or coercion to accomplish the penetration;

(b) the actor or accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than ten years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than ten years.

Sec. 11. [609.3644] [INTRAFAMILIAL SEXUAL ABUSE IN THE FOURTH DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the fourth degree if:

(1) He has a familial relationship to and engages in sexual contact with a minor; or

(2) He has a familial relationship to and engages in sexual contact with a minor and:

(a) the actor or an accomplice used force or coercion to accomplish the contact;

(b) the actor or accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

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

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1),

may be sentenced to imprisonment for not more than five years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than five years.

Sec. 12. Minnesota Statutes 1980, Section 626.556, Subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by the child's parents, guardian, or person responsible for the child's care, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345, or sections 7 to 11. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Neglect" means failure by a parent, guardian or other person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child.

(c) "Physical abuse" means:

(i) Any physical injury inflicted by a parent, guardian or other person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury that cannot reasonably be explained by the history of injuries provided by a parent, guardian or other person responsible for the child's care.

(d) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section.

Sec. 13. Minnesota Statutes 1980, Section 629.341, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding the provisions of section 629.34 or any other law or rule to the contrary, a peace officer may arrest without a warrant a person (1) *anywhere, including at his place of residence; or* (2) ~~when the person is threatening to return to his place of residence,~~ if the peace officer has probable cause to believe the person within the preceding four hours has assaulted his spouse or other person with whom he resides, although the assault did not take place in the presence of the peace officer. A peace officer may not arrest a person pursuant to this section without first observing recent physical injury to, or impairment of physical condition of the alleged victim.

Sec. 14. [EFFECTIVE DATE.]

Sections 1 to 13 are effective the day following final enactment and apply to any act which occurs on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; prescribing penalties; amending Minnesota Statutes 1980, Sections 15.1695, Subdivision 1; 518B.01, Subdivision 6; 595.02; 609.346; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609."

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

House Conferees: (Signed) Bruce Anderson, Wayne A. Simoneau, Terry M. Dempsey

Senate Conferees: (Signed) Linda Berglin, Dennis R. Frederickson, Don Frank

Ms. Berglin 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 crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; prescribing penalties; amending Minnesota Statutes 1980, Sections 15.1695, Subdivision 1; 518B.01, Subdivision 6; 595.02; 609.346; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

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 55 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Kronebusch	Olhof	Setzepfandt
Belanger	Dieterich	Langseth	Penny	Sikorski
Benson	Engler	Lantry	Peterson, D. L.	Spear
Berg	Frank	Lessard	Peterson, R. W.	Stern
Berglin	Frederickson	Lindgren	Petty	Stokowski
Bernhagen	Humphrey	Luther	Pillsbury	Stumpf
Bertram	Kamrath	Menning	Purfeerst	Tennessee
Chmielewski	Keefe	Merriam	Ramstad	Ulland
Dahl	Knoll	Moe, D. M.	Renneke	Vega
Davies	Knutson	Moe, R. D.	Rued	Waldorf
Davis	Kroening	Nelson	Schmitz	Willet

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. 1421 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1421 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1421

A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 121.931, Subdivision 5; 123.742, by adding a subdivision; 123.743; and 136A.121, Subdivisions 4 and 5.

May 14, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1421, 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. 1421 be further amended as follows:

Delete 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 "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder or therefor shall be available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

	1981	1982	1983	TOTAL
General		\$432,322,400	\$424,466,600	\$856,789,000
Tr. Hwy.		17,100	18,600	35,700
Prm. Univ.		2,500,000	2,500,000	5,000,000
Non-Game Wildlife Fund		25,000	25,000	50,000
TOTAL		434,864,500	427,010,200	861,874,700

APPROPRIATIONS

Available for the Year

Ending June 30

1982

1983

Sec. 2. DEPARTMENT OF EDUCATION

Subdivision 1. General Operations

and Management \$23,801,500 \$23,798,200

Approved Complement

State - 536.6 535.6

Federal - 222.9 222.9

Special Revenue - 11.5 11.5

1982

1983

The amounts that may be expended from this appropriation for each program and activity are more specifically described in the following subdivisions of this section.

Subd. 2. Special and Compensatory
Education

\$ 5,728,500 \$ 5,695,300

Of this appropriation, \$625,000 in the first year, and \$625,000 in the second year is for Indian scholarships. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$91,000 the first year is for repair and purchase of equipment at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

Subd. 3. Vocational Technical
Instruction

\$ 3,270,800 \$ 3,381,000

(a) \$416,500 the first year and \$441,000 the second year is for Minnesota curriculum services center.

(b) \$180,000 the first year and \$196,000 the second year is for the vocational student organization center.

(c) \$216,000 the first year and \$234,000 the second year is for vocational area agricultural coordinators.

(d) The amounts in (a), (b), and (c), shall be spent pursuant to agreements between the state board of education and the recipients. The agreements are not subject to the contract approval procedures of the commissioner of administration.

Until June 30, 1983, the recipient may charge fees to users of these services designed to cover the cost to the recipient of duplication and distribution, plus ten percent.

(e) Federal money received for state vocational education programs pursuant to the Vocational Education Act of 1963, Section 120, and required to be used for vocational education of the disadvantaged and handicapped shall be used only for grants and not for state administrative costs. This does not limit the use of grant money by a school district for its own administrative costs if otherwise permitted by federal law. The

1982

\$

1983

\$

remainder of section 120 money not required to be used for eliminating sex bias, for displaced homemakers programs, and for matching requirements in vocational education shall be used for grants for post-secondary vocational support services aid.

(f) The department shall charge municipalities, counties or other units of government, electric cooperatives and other independent telephone companies an amount to provide 25 percent of the cost of field instruction in the utilities, electric cooperatives, and telephone training. The department shall make a similar charge to the above named units of government or companies for rescue training, however, volunteers shall not be charged.

(g) On or before January 1, 1982, the commissioner of education shall submit to the legislature an examination of the adult vocational field instructor positions and services. The examination shall include a cost analysis of the following options: (1) transferring all adult vocational field instructors to area vocational-technical institutes as local employees; (2) transferring all adult vocational field instructors to area vocational-technical institutes but maintaining their status as state employees; (3) transferring a portion of the field instructors to area vocational-technical institutes; (4) maintaining field instructors as a part of the vocational division with a fee structure similar to that of the area vocational-technical institutes.

(h) Of the five state complement positions to be reduced from this program, three shall be vocational supervisors in the post-secondary and adult activity areas and two shall be professional positions to be selected at the discretion of the commissioner from within the program.

Subd. 4. Special Services

\$ 1,854,500 \$ 1,907,700

The department may fund two professional and one clerical positions from the fees and grants collected, pursuant to section 13 of this act and appropriated in section 14 of this act.

Effective July 1, 1981, all fees for private trade school licenses and for solicitor's permits are doubled. Notice of the revised fees shall be published in the state register as soon as practicable. During the biennium ending June 30, 1983, these fees shall not be decreased, but may be increased pursuant to sections 15.0412, subdi-

vision 4, 16A.128, and 214.06, as amended. Thereafter, the fees shall be set as provided in those sections.

1982

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The department shall provide on or before January 4, 1982, to the appropriate committees of the legislature a report on the administrative and regulatory activities associated with the provisions of Minnesota Statutes, Chapter 141, including details and the resulting costs and relationship of costs to the fees charged and collected.

The state board of education and the state board of teaching, after joint consultation, shall individually set consistent license fees for which they are responsible at a level sufficient to recover all department of education and board of teaching costs associated with the licensure, relicensure, and placement of teachers, administrators, and other education professionals. In setting these fees, the state board of education and the board of teaching are exempt from the public hearing process in chapter 15.

Subd. 5. Instructional Services

\$ 2,171,900 \$ 2,188,500

Of the amounts provided by this subdivision, \$17,100 in 1982 and \$18,600 in 1983 are from the trunk highway fund.

\$94,300 in the first year and \$94,900 in the second year is for the chemical dependency program. These appropriations may be expended only with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30 and only as a substitute for federal funds that are diminished or no longer available for this purpose. Up to two federal complement positions may be converted to state complement positions as needed to compensate for any loss of federal funds and as state funds are made available pursuant to this paragraph.

The department of education is authorized to apply for and receive federal money for the career education program. The department of education shall not increase its expenditure of state money or its state complement involved in career education programs above the level of the spending and complement in fiscal year 1979. The department of education shall not apply for federal career education money if the application will require an appropriation of state money at any time in the future. The department of edu-

	1982	1983
cation shall present no budget requests for state appropriations for this program in future sessions.	\$	\$

Subd. 6. School Management Services

\$ 8,601,100	\$ 8,431,100
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(a) \$800,000 in 1982 and \$850,000 in 1983 is for MECC management information services. Of this amount \$300,000 in 1982 and \$850,000 in 1983 shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30. No dollars shall be expended for new ESV-IS applications software development or major enhancements of present applications software until a systems architecture plan has been approved by the state board with the advice and assistance of the ESV computer council. The system architecture plan shall consider the formation of a central development group to be created to provide for the future development of applications software for ESV-IS. Particular emphasis shall be placed on the consolidation and coordination of software development efforts a MECC and the regional management information centers so as to reduce duplication of effort and cost.

(b) \$3,213,000 in 1982 and \$3,425,100 in 1983 is for regional support aids for regional management information centers.

(c) \$757,400 in 1982 and \$872,500 in 1983 is for regional telecommunication subsidies.

(d) \$900,000 in 1982 and \$450,000 in 1983 is for instructional timesharing telecommunication costs.

The appropriation for 1983 shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30. The Minnesota Education Computing Consortium shall charge fees to any district which uses the instructional timesharing system for a computer program which is available for use on a microcomputer. MECC shall prepare a report on the specific effects of the reduction of the instructional telecommunications subsidy for submission to the legislature on or before January 1, 1983.

(e) The department of education in consultation with MECC shall submit to the chairman of the

1982

1983

house appropriations committee and the chairman of the senate finance committee by July 15 and December 31 of each year a progress report, proposed plans, and expenditures for educational computing.

\$

\$

(f) Any unexpended balance remaining in (a) through (e) in the first year does not cancel but is available for the second year of the biennium.

(g) \$40,000 is appropriated to a special contingent account for an evaluation of the development of the state department of education information system (SDE-IS). These funds shall be released to the office of the legislative auditor after submission of a plan to the chairmen of the house appropriations committee and the senate finance committee. The evaluation shall consider:

(1) the extent to which the present system meets all reporting requirements of the department and the cost and effort required to automate those reporting requirements which are presently not computerized;

(2) the impact of legislative mandates and changing complex statutory requirements on the system;

(3) an estimate of the resources and schedule necessary to complete development of the system and to maintain it in the future; specific consideration shall be given to the present arrangement of data processing hardware used for the system and projected hardware requirements in the future;

(4) the role of consultants in the development of the system;

(5) the adequacy of the documentation of the system as development occurs.

(h) \$40,000 shall be used by the department to hire a consultant to assist the department in implementing the recommendations in the evaluation which was performed pursuant to Laws 1979, Chapter 334, Article VI, Section 33. The consultant shall evaluate the effectiveness of the regional reporting subsidy formula and make recommendations. The consultant shall further develop a systematic mechanism for the monitoring of the financial and performance elements of the operations of the ESV regional centers. The employment of a consulting firm shall not be subject to the contract approval procedures of the commissioner of administration.

	1982	1983
Subd. 7. Auxiliary and General Support Services	\$	\$
\$ 2,009,200		\$ 2,021,800

Of the complement positions to be eliminated in the department, the commissioner shall eliminate at least one state complement position of his own choosing with a classification of education specialist IV or higher. In addition, the commissioner shall prepare a plan to reorganize the senior level management of the department. In developing the plan, the commissioner shall provide for the elimination of two state complement in the assistant commissioner and/or deputy commissioner categories. The plan shall be submitted to the chairmen of the house appropriations and senate finance committees by December 1, 1981. The department may carry two positions in excess of approved complement until January 1, 1982.

The commissioner of education with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfer shall be reported forthwith to the house appropriations and senate finance committees.

It is the intent of the legislature, except in the case of executive order to the contrary, that the department of education be allowed to transfer money among the various object of expenditure categories and activities within each program.

Subd. 8. Federal money received for strengthening state education agencies pursuant to the Elementary and Secondary Education Act of 1965, Title 4C, as amended, or pursuant to the Education Amendments of 1978, Section 404, Paragraph (a), Clause (9), or Title 5, Part B, shall be spent only for the activities and approved complement positions shown in the allocation plan for Title 4C money as approved by the conferees of the senate and house of representatives. The amounts available for expenditure for each activity are those shown in the allocation plan. Amounts necessary to support approved complement positions shown in the allocation plan may be added to or transferred among those activities by the commissioner of education, with the approval of the commissioner of finance and with notification to the committee on finance of the senate and the committee on appropriations of the house of representatives. Any other transfers or additions may be made only by the governor after consultation

	1982	1983
with the legislative advisory commission.	\$	\$

Subd. 9. Board of Teaching
 \$ 165,500 \$ 172,800

**Sec. 3. HIGHER EDUCATION
 COORDINATING BOARD**

Subdivision 1. General Operations and Management	43,528,600	44,103,900
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The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Salaries and Expenses
 \$ 2,003,800 \$ 2,018,200

This appropriation includes sufficient state money to offset anticipated loss of federal money in the policy planning and research activities. If any federal money becomes available for this activity, an equal amount of state money shall cancel to the general fund.

This appropriation includes money for the administration of the state student assistance programs, program planning and coordination, policy planning and research, and agency management services.

This appropriation includes money for continuation of the optometry and osteopathy contract program. No more than eight new students shall be admitted to the program each year. The higher education coordinating board shall amend the contracts with participating institutions to provide that continued participation by the state of Minnesota be contingent upon the availability of appropriations for the program.

Subd. 3. State Scholarship, Nurses
 Scholarship and State Grant-In-Aid
 \$27,720,000 \$27,720,000

The general goal of this program is that the proportion of funds flowing to students attending private institutions not exceed a figure which is approximately 50 percent of the total amount of money available.

It is expected that approximately \$3,000,000 of this appropriation will revert to the general fund at the end of fiscal year 1983.

Subd. 4: Part Time Student
 Subsidy
 \$ 300,000 \$ 300,000.

	1982	1983
Subd. 5. Special Assistance	\$	\$
\$ 1,200 \$ 1,200		

Subd. 6. Interstate Tuition Reciprocity		
\$ 5,300,000 \$ 5,669,000		

If the appropriation for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

Subd. 7. State Work Study		
\$ 3,892,000 \$ 4,067,000		

Subd. 8. Medical Student Loans		
\$ 81,000 \$ 222,000		

No new participants shall be admitted to this program after June 30, 1981. This appropriation shall be used to meet the renewal loan requests of participants who entered the program prior to June 30, 1981 and to make principal and interest payments on outstanding bonds.

Subd. 9. AVTI Tuition Subsidy		
\$ 1,400,000 \$ 1,400,000		

Any unexpended balance in this subdivision remaining at the end of the first year does not cancel but is available for the purposes of subdivision 3 above for the second year.

Subd. 10. Private College Contracts		
\$ 2,105,000 \$ 2,105,000		

Any private educational institution that holds classes or other scheduled educational activities on evenings of precinct caucuses as defined by Minnesota Statutes, Chapter 202A is ineligible to receive money from this appropriation.

Subd. 11. Regional Coordination and Service		
\$ 132,600		

Subd. 12. Minitex Library Program		
\$ 557,900 \$ 601,500		

Subd. 13. Southwest and West Central Consortium		
\$ 35,100		

Subd. 14. The nursing articulation task force shall submit a report to the higher education coordinating board by January 1, 1982. The report shall include, but not necessarily be limited to: (1) a documentation of the changes in the curricula that existing nursing education pro-

grams will implement before January 1, 1983; (2) a documentation of the changes in the transfer policies and policies for advanced placement of licensed nurses that each institution will implement before January 1, 1983; and (3) a set of specific alternatives for providing additional educational opportunities for licensed nurses in all areas of the state which could be implemented on or before July 1, 1983.

1982

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\$

\$

The higher education coordinating board shall present its recommendations on the above mentioned report to the chairmen of the house appropriations and senate finance committees.

Subd. 15. Notwithstanding any other provision to the contrary, none of the personnel, powers, or duties of the higher education coordinating board shall be transferred to any other department, higher education system, or other part of state government.

Subd. 16. Any unexpended balances in this section, except subdivisions 8, 11 and 13 remaining in the first year do not cancel but are available for the second year of the biennium.

Sec. 4. STATE UNIVERSITY BOARD

Subdivision 1. General Operations and Management

83,757,300

82,298,700

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Maintenance and Equipment

\$81,653,500

\$80,649,100

This appropriation includes an amount not to exceed \$1,482,300 in 1982 and \$1,770,300 in 1983 for partial support of the temporary increase in enrollment. None of this amount shall be available unless full year equivalent enrollment exceeds the threshold level of 31,505. For each full year equivalent student in excess of the threshold level \$653 shall be available. The full year equivalent enrollment figure to be used in determining the amount of partial enrollment support to be available in fiscal year 1982 shall be the actual full year equivalent enrollment for fiscal year 1981. In like manner, the full year equivalent enrollment for fiscal year 1982 shall be used in determining the amount to be available in fiscal year 1983. The number of students generating partial enrollment support is limited

by the amount appropriated above. If the number of students exceeds the number which can be supported by the appropriation, those students shall be supported by tuition revenue only.

1982

\$

1983

\$

Additional funding for nursing programs for fiscal year 1983 shall not be available until the higher education coordinating board has presented its recommendations on the nursing articulation task force report to the chairmen of the house appropriations and senate finance committees and the chairmen have made their recommendations thereon. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. The nursing articulation task force report is further described in section 3, subdivision 14 of this act.

(a) The appropriation in subdivision 2 includes \$120,000 in 1982 and \$130,000 in 1983 for enrollment and staffing stabilization.

(b) If the amounts in (a) are insufficient for this purpose, the board may request additional money from the contingent fund in subdivision 3.

No additional funding shall be available for the above program after June 30, 1983.

(c) The amounts appropriated in subdivision 2 include a sum in each year for recruitment of unclassified staff.

Notwithstanding the provisions of Minnesota Statutes, Chapters 15A and 43A, the state university board may establish executive salaries within the state university system.

Subd. 3. State University Board
Contingent

\$ 500,000

Any unexpended balance remaining in the first year does not cancel but is 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. 4. Federal Student Loans -
State Matching

\$ 175,000 \$ 175,000

Subd. 5. Federal Work Study -
State Matching

\$ 518,000 \$ 518,000

	1982	1983
Any unexpended balances in subdivisions 4 and 5 remaining in the first year do not cancel but are available for the second year of the biennium. If the amounts appropriated in subdivision 5 are insufficient to fully match federal money available, the state university board may transfer money from the appropriations in subdivisions 1 or 3 to this program. No portion of the appropriation shall be used to defray obligations incurred prior to July 1, 1980.	\$	\$

Subd. 6. Repairs and Betterments
 \$ 910,800 \$ 956,600

Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

The state university board, with the concurrence of the commissioner of finance and the chairmen of the senate finance and house appropriations committees, may transfer excess fuel and utility money appropriated in subdivision 2 to the repair and betterment account to fund energy conservation related building repairs and improvements.

Subd. 7. A report shall be submitted to the 73rd session of the legislature on 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.

Sec. 5. STATE COMMUNITY COLLEGE BOARD

Subdivision 1. General Operations and Management	40,349,000	38,661,000
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The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Operations and Maintenance
 \$38,797,800 \$37,587,500

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 the provisions of Minnesota Statutes, Chapters 15A and 43A, the state com-

	1982	1983
munity college board may establish executive salaries within the community college system.	\$	\$

An amount not to exceed \$861,900 in 1982 and \$861,900 in 1983 is for partial support of the temporary increase in enrollment. None of this amount shall be available unless full year equivalent enrollment exceeds the threshold level of 21,247. For each full year equivalent student in excess of the threshold level \$533 shall be available. The full year equivalent enrollment figure to be used in determining the amount of partial enrollment support to be available in fiscal year 1982 shall be the actual full year equivalent enrollment for fiscal year 1981. In like manner, the full year equivalent enrollment for fiscal year 1982 shall be used in determining the amount to be available in fiscal year 1983. The number of students generating partial enrollment support is limited by the amount appropriated above. If the number of students exceeds the number which can be supported by the appropriation, those students shall be supported by tuition revenue only.

Rental funds are appropriated in the amount of \$194,800 for the biennium. A request for release of these funds shall be submitted and reviewed by the chairmen of the house appropriations and senate finance committees whose recommendations are advisory only. Failure to make a recommendation promptly is deemed a negative recommendation.

Additional funding for nursing programs for fiscal year 1983 shall not be available until the higher education coordinating board has presented its recommendations on the nursing articulation task force report to the chairmen of the house appropriations and senate finance committees and the chairmen have made their recommendations thereon. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. The nursing articulation task force report is further described in section 3, subdivision 14 of this act.

(a) The appropriation in subdivision 2 includes \$40,000 in 1982 and \$60,000 in 1983 for enrollment and staffing stabilization.

(b) If the amounts in (a) are insufficient for this purpose, the board may request additional money from the contingent fund in subdivision 7.

No additional funding shall be available for the

	1982	1983
above program beyond June 30, 1983.	\$	\$

Subd. 3. Program Development
 \$ 300,000

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.

Subd. 4. Learning Centers
 \$ 231,300 \$ 232,500

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, 1982 for the first year and January 1, 1983 for the second year on the use of the money in this appropriation.

Subd. 5. Federal Student Loan - State Matching
 \$ 35,000 \$ 35,000

Subd. 6. Federal Work Study - State Matching
 \$ 365,600 \$ 365,600

If the amounts appropriated are insufficient to fully match federal money available, the community college board may transfer money available from the appropriation in subdivision 2 to this program.

Subd. 7. State Community College Board Contingent
 \$ 200,000

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. 8. Repairs and Betterments
 \$ 419,300 \$ 440,400

Any unexpended balances in this section, except subdivision 2, remaining in the first year do not cancel but are available for the second year of the biennium.

Sec. 6. UNIVERSITY OF MINNESOTA	241,904,400	236,481,100
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The amounts that may be expended from this appropriation for each purpose are more specifically described in the following three sections of this act.

	1982	1983
Sec. 7. UNIVERSITY OF MINNESOTA:	\$	\$
GENERAL		
Subdivision 1. Operations and Maintenance	199,393,400	195,818,100

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 \$196,893,400 for the first year and \$193,318,100 for the second year.

The university is authorized to retain 2-1/2 percent of the indirect cost recoveries and this amount shall be expended to improve its ability to attract nonstate money. A report on the expenditures of this money with an analysis of apparent results shall accompany the university's annual report on expenditure of excess receipts.

On October 1, 1982 and 1983 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 1982 from all sources in excess of \$93,179,300 and during the fiscal year 1983 from all sources in excess of \$101,522,400;

(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 is reduced accordingly.

State appropriations for fellowship programs shall cancel if replacement federal money becomes available during the 1981-1983 biennium.

In preparing the university's legislative budget

request for the 1983-1985 biennium, all projected income from student tuition shall be based on a charge per credit hour schedule.

This appropriation includes money to provide direct support services to handicapped students.

This appropriation includes money for a program for the education of teachers of children with vision and hearing impairments. This appropriation shall only be available if it is matched by an equal amount of money from the federal government, private sources, or reallocation of existing funds from the budgets of the university and the state universities. The university shall operate this program in cooperation with the state university system and other teacher education institutions.

Additional funding for nursing programs for fiscal year 1983 shall not be available until the higher education coordinating board has presented its recommendations on the nursing articulation task force report to the chairmen of the house appropriations and senate finance committees and the chairmen have made their recommendations thereon. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. The nursing articulation task force report is further described in section 3, subdivision 14 of this act.

Subd. 2. Salary Increase Authorization

Salary supplements for employees of the University of Minnesota are approved as follows:

(a) Academic employees

(1) Academic employees who are not represented by an exclusive representative. The commissioner of finance, in consultation with the chairmen of the house appropriations and senate finance committees, shall determine the average of the percentage increases provided from the salary supplement appropriation to the state university instructional unit, and the community college instructional unit. That average shall be the basis for determining the amount of the approved salary supplement.

(2) Academic employees who are represented by an exclusive representative shall receive salary supplements in accordance with the collective bargaining agreements approved pursuant to chapter 179.

(b) Non-academic employees

1982

1983

\$

\$

(1) Non-academic employees who are not represented by an exclusive representative. The commissioner of finance shall determine the average of the percentage increase provided from the salary supplement appropriation to classes of state employees which are approximately comparable to classes of university employees. That average shall be the basis for determining the amount of the approved salary supplement.

(2) Non-academic employees who are represented by an exclusive representative shall receive salary supplements in accordance with the collective bargaining agreements approved pursuant to chapter 179.

The amounts needed to provide the above salary supplements shall be provided to the University of Minnesota from the salary supplement appropriation in the state departments appropriations act.

The salary supplements provided by this subdivision shall be submitted to the entire legislature for ratification in the same manner as provided for negotiated agreements and arbitration awards under section 179.74, subdivision 5.

**Sec. 8. UNIVERSITY OF MINNESOTA:
SPECIAL PROGRAMS**

Subdivision 1. Student Loans - State Matching	175,000	175,000
Subd. 2. Disadvantaged Students	361,500	361,500

This appropriation shall be used for providing counseling, tutorial, and other direct services to disadvantaged students.

Subd. 3. Fellowship for Minority and Disadvantaged Students	71,500	
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Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

Subd. 4. Intercollegiate Athletics	1,494,700	1,494,700
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This appropriation shall be used as a general offset to the expenses of intercollegiate athletics.

Subd. 5. Summer School Tuition and Continuing Education Supplement	1,202,200	1,164,200
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This appropriation includes money for the administration of the elderhostel program and construction of a tower at Rochester.

Subd. 6. Medical Services and Instruction ..	1,771,800	1,746,800
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This appropriation includes money for the final

1982	1983
\$	\$

	1982	1983
appropriation for the rural hospital cooperative program	\$	\$

This appropriation includes money for the occupational and physical therapy instructional grants replacement.

Subd. 7. Health Sciences Contingent	3,212,500	1,212,500
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Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

Portions or all of the above appropriation are available upon submission of required documentation that federal health sciences capitation money has 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. The replacement will be adjusted to reflect faculty and civil service salary increases granted to the university for the 1981-1983 biennium. All requests shall be reviewed by the chairmen of the house appropriations and senate finance committees whose recommendations are advisory only. Failure to make a recommendation promptly is deemed a negative recommendation.

Sec. 9. UNIVERSITY OF MINNESOTA: RESEARCH

Subdivision 1. General Research	2,064,900	2,064,900
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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. Mineral Resource Research Center	307,500	307,500
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Subd. 3. General Agricultural Research	8,899,800	8,899,800
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This appropriation includes money for research on aquatic plants (including wild rice), soybeans, avian disease, swine disease, corn improvement and irrigation.

The university shall establish an advisory council system for each experiment station. The advisory councils shall be broadly representative of range of size and income distributions for farms and agribusiness, and shall not be disproportionately represented by those from the upper half of the size and income distributions of farms and agribusiness.

Subd. 4. Hormel Institute - Austin	135,100	135,100
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	1982	1983
To support the operation of the institute and to promote research by the institute. \$		\$
Subd. 5. Medical Research	1,673,900	1,673,900
Subd. 6. Coleman Leukemia Research Fund	150,000	200,000
Subd. 7. Veterinary Diagnostic Laboratory and Teaching Hospital	776,400	776,400
This appropriation includes \$25,000 from the nongame wildlife fund for the Raptor Rehabilitation and Research Clinic.		
Subd. 8. Geological Survey	565,300	565,300
Subd. 9. Lake Superior Basin Studies	114,500	114,500
Subd. 10. Sea Grant	100,200	100,200
Subd. 11. Plant Biomass Research	112,500	125,000
Subd. 12. Immigration History Research Center	225,000	

Portions of the above appropriation are available upon submission of required documentation that each dollar in state money has been matched by at least two dollars in money contributed from non-state and non-federal sources; that each dollar in state money has been matched by at least one dollar in federal money and that the total amount provided by the state does not exceed the total amount provided by the federal government. All requests shall be reviewed by the chairmen of the house appropriations and senate finance committees and the chairmen shall make recommendations on the requests. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Subd. 13. Science and Technical Center ...	125,000	125,000
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Sec. 10. UNIVERSITY OF MINNESOTA:
COMMUNITY SERVICES

Subdivision 1. Agricultural Extension Service	8,729,600	8,729,600
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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 sawyer training program. It also includes money 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.

	1982	1983
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	7,270,500	7,270,500
Fees for service furnished to counties and individuals under this program shall be sought to augment the money appropriated; the fees are appropriated to the university hospitals, to be available until June 30, 1983.		
Subd. 4. Industrial Relations Education Program	520,600	520,600
Subd. 5. Inflation Allowance - University Specials	451,000	900,000

The appropriations in section 7 for operations and maintenance funding for the agricultural extension service, for the faculty travel fund and for the university hospitals outpatient clinics shall be merged with the appropriate special appropriations in fiscal years 1982 and 1983.

Sec. 11. MAYO MEDICAL

Subdivision 1. Medical School	1,367,700	1,499,300
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The state of Minnesota shall pay a capitation of \$8,998 in fiscal year 1982 and \$9,799 in fiscal year 1983 for each student who is a resident of Minnesota for a maximum of 40 such students in each class.

Subd. 2. Family Practice and Graduate Residency Program	156,000	168,000
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The state of Minnesota shall pay capitation of \$13,000 in fiscal year 1982 and \$14,000 in fiscal year 1983 for a maximum of 12 students each year.

Sec. 12. Minnesota Statutes 1980, Section 15.38, is amended to read:

15.38 [NON-INSURANCE OF STATE PROPERTY; STILLWATER CORRECTIONAL FACILITY; EXCEPTION EXCEPTIONS.]

Subdivision 1. [INSURANCE PROHIBITED.] No public funds shall be expended on account of any insurance upon state property against loss or damage by fire or tornado, nor shall any state officer or board contract for or incur any indebtedness against the state on account of any such insurance, except that as specifically authorized in this section, section 15.39, or other law.

Subd. 2. [STILLWATER PRISON.] The commissioner of corrections is authorized in his discretion to insure the state of Minnesota against loss by fire or tornado to the Minnesota correctional facility-Stillwater, or the contents thereof, in any insurance companies licensed to do business in this state, in such an amount as he may from time to time determine and to pay the premiums therefor from the revolving fund of the institution.

Subd. 3. [STATE UNIVERSITIES.] The state university board may purchase insurance coverage as it deems necessary and appropriate for activities ancillary to the programs of the state universities.

Subd. 4. [COMMUNITY COLLEGES.] The community college board may purchase insurance coverage as it deems necessary and appropriate for activities ancillary to the programs of the state community colleges.

Sec. 13. Minnesota Statutes 1980, Section 123.742, is amended by adding a subdivision to read:

Subd. 3. The department may provide available curriculum information for improving teaching practices at public elementary, secondary and post-secondary vocational schools. The information may be provided upon the request of a school district or an educational cooperative service unit with which the department has a written agreement. The department may collect reasonable fees not to exceed its actual costs for this service. The department may also accept money from any public or private source to defray the cost of this service.

Sec. 14. Minnesota Statutes 1980, Section 123.743, is amended to read:

123.743 [APPROPRIATION.]

There is annually appropriated from the general fund to the department of education any and all amounts received by the department pursuant to section 123.742, subdivision 2 and section 13 of this act.

Sec. 15. Minnesota Statutes 1980, Section 136A.121, Subdivision 4, is amended to read:

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 in the 1979-1980 school year, \$1,250 in the 1980-1981 school year and up to \$1,400 in the 1981-1982 school year and subsequent school years 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 the lesser. Scholarship winners who do not demonstrate financial need under criteria prescribed by the board shall be awarded honorary scholarships.

Sec. 16. Minnesota Statutes 1980, Section 136A.121, Subdivision 5, is amended to read:

Subd. 5. A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 in the 1979-1980 school year, \$1,250 in the 1980-1981 school year and up to \$1,400 in the 1981-1982 school year and subsequent school years 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 the lesser.

Sec. 17. Minnesota Statutes 1980, Section 144A.61, Subdivision 3, is amended to read:

Subd. 3. [CURRICULA; TEST.] The commissioner of education shall develop curricula which may and a test to be used for nursing assistant training programs for employees of nursing homes. The curricula, as reviewed and

evaluated by the board of nursing, shall be utilized by all facilities, institutions, or programs offering nursing assistant training programs. *The test may be given by any area vocational-technical institute or community college in accordance with instructions from the commissioner of education. The commissioner of education may prescribe a fee for the administration of the test not to exceed \$30.*

Sec. 18. [REPEALER.]

Minnesota Statutes 1980, Section 123.939, is repealed."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 123.742, by adding a subdivision; 123.743; 136A.121, Subdivisions 4 and 5; and 144A.61, Subdivision 3; repealing Minnesota Statutes 1980, Section 123.939."

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

House Conferees: (Signed) Lyndon R. Carlson, James C. Swanson, Richard J. Welch, Bruce G. Nelsen, Wendell O. Erickson

Senate Conferees: (Signed) Tom A. Nelson, Gerald L. Willet, Timothy J. Penny, Robert J. Tennesen, John B. Keefe

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1421 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 45 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Hughes	Luther	Peterson, R. W.	Solón
Berglin	Humphrey	Menning	Petty	Spear
Bertram	Keefe	Moe, D. M.	Pillsbury	Stokowski
Chmielewski	Knöll	Moe, R. D.	Purfeerst	Stumpf
Dahl	Knutson	Nelson	Ramstad	Tennesen
Davies	Kroening	Olhoft	Renneke	Vega
Dicklich	Langseth	Pehler	Schmitz	Waldorf
Dieterich	Lantry	Penny	Setzepfandt	Wegener
Hanson	Lessard	Peterson, C. C.	Sikorski	Willet

Those who voted in the negative were:

Bang	Bernhagen	Frank	Kronebusch	Rued
Belanger	Brataas	Frederick	Lindgren	Sieloff
Benson	Davis	Frederickson	Merriam	Ulland
Berg	Engler	Kamrath	Peterson, D. L.	

The motion prevailed. So the recommendations and Conference Committee report were adopted.

H. F. No. 1421: A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sec-

tions 15.38; 123.742, by adding a subdivision; 123.743; 136A.121, Subdivisions 4 and 5; and 144A.61, Subdivision 3; repealing Minnesota Statutes 1980, Section 123.939.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Penny	Solon
Belanger	Engler	Langseth	Peterson, C. C.	Spear
Benson	Frank	Lantry	Peterson, D. L.	Stokowski
Berg	Frederick	Lessard	Peterson, R. W.	Stumpf
Berglin	Frederickson	Lindgren	Petty	Taylor
Berhagen	Hanson	Luther	Pillsbury	Tennessee
Bertram	Hughes	Menning	Purfeerst	Ulland
Brataas	Humphrey	Merriam	Ramstad	Vega
Chmielewski	Kamrath	Moe, D. M.	Renneke	Waldorf
Dahl	Keefe	Moe, R. D.	Rued	Wegener
Davies	Knoll	Nelson	Schmitz	Willet
Davis	Knutson	Olhoff	Setzepfandt	
Dicklich	Kroening	Pehler	Sieloff	

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. Moe, R. D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Stern, Mrs. Brataas and Mr. Dicklich introduced—

S.F. No. 1439: A bill for an act relating to health; requiring immediate availability of counseling when notice of minor's impending abortion is delivered; amending Minnesota Statutes 1980, Section 144.343, as amended in 1981, and by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Stern, Mrs. Brataas and Mr. Dicklich introduced—

S.F. No. 1440: A bill for an act relating to health; prescribing procedures for notifying the putative father or his parents, when practical, before performing an abortion on certain persons; amending Minnesota Statutes 1980, Section 144.343, as amended in 1981, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Willet, for the Committee on Finance, introduced—

S.F. No. 1441: A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; amending Minnesota Statutes 1980, Sections 124.32, Subdivision 1;

256B.02, Subdivision 8, as amended; 256B.03; 256B.06, Subdivision 1, as amended; 256B.08; amending laws enacted at the 1981 regular session styled as H. F. No. 70, Article I, Section 21, Subdivision 1; and H. F. No. 1446, Article II, Section 2, Subdivision 1.

Mr. Willet moved that S. F. No. 1441 be referred to the Committee on Taxes and Tax Laws. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 8:00 p.m. The motion prevailed.

The hour of 8:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Pehler moved that the following members be excused for a Conference Committee on H. F. No. 1445 at 8:00 p.m.:

Messrs. Johnson; Peterson, C.C.; Hanson; Pehler and Ms. Berglin. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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. 915: A bill for an act relating to sheriff fees; prescribing fees to be charged by the sheriff; amending Minnesota Statutes 1980, Section 357.09, Subdivisions 1 and 2; and by adding a subdivision.

Senate File No. 915 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 915 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 915: A bill for an act relating to sheriff fees; prescribing fees to be

charged by the sheriff; amending Minnesota Statutes 1980, Section 357.09, Subdivisions 1 and 2, and by adding a subdivision; repealing Laws 1978, Chapter 743, Section 12.

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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Petty	Stokowski
Belanger	Engler	Lessard	Pillsbury	Stumpf
Benson	Frank	Luther	Ramstad	Taylor
Berg	Frederickson	Menning	Renneke	Tennessee
Bertram	Knoll	Moe, R.D.	Schmitz	Vega
Brataas	Knutson	Olhoft	Setzepfandt	Waldorf
Chmielewski	Kroening	Penny	Sieloff	Wegener
Davies	Kronebusch	Peterson, D.L.	Solon	Willett
Davis	Langseth	Peterson, R.W.	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. 513: A bill for an act relating to interest; clarifying the usury exemption on certain loans; increasing rates of interest on loans for business and agricultural transactions and loans made by agricultural credit corporations; removing certain deficiencies and ambiguities; amending Minnesota Statutes 1980, Sections 334.01, Subdivision 2; 334.011, Subdivision 1; and 334.061.

Senate File No. 513 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

Mr. Penny moved that S. F. No. 513 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. 17: A bill for an act relating to witnesses; exempting parents and minors from testifying with respect to confidential communications made by the minor to parent; amending Minnesota Statutes 1980, Section 595.02.

Senate File No. 17 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 17 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 17 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 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lessard	Pillsbury	Taylor
Belanger	Frank	Luther	Purfeerst	Tennessee
Benson	Frederickson	Menning	Ramstad	Ulland
Berg	Humphrey	Moe, D.M.	Renneke	Vega
Brataas	Knoli	Moe, R.D.	Schmitz	Wegener
Chmielewski	Knutson	Nelson	Setzepfandt	Willet
Dahl	Kroening	Olhoft	Solon	
Davies	Kronebusch	Penny	Spear	
Davis	Langseth	Peterson, R.W.	Stokowski	
Dicklich	Lantry	Petty	Stumpf	

Those who voted in the negative were:

Bernhagen	Bertram	Engler	Peterson, D.L.	Waldorf
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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. 1005: A bill for an act relating to local housing programs; authorizing certain combined multifamily housing and health care facility developments; providing an exemption from the limits on aggregate amount of bonds that may be issued; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1, and by adding a subdivision.

Senate File No. 1005 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mrs. Brataas moved that the Senate concur in the amendments by the House to S. F. No. 1005 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1005 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 2, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Langseth	Peterson, R. W.	Spear
Bang	Dicklich	Lantry	Petty	Stokowski
Belanger	Dieterich	Lessard	Pillsbury	Taylor
Benson	Engler	Luther	Purfeerst	Tennesen
Berg	Frank	Moe, D. M.	Ramstad	Ulland
Bernhagen	Frederickson	Moe, R. D.	Renneke	Vega
Bertram	Humphrey	Nelson	Rued	Waldorf
Brataas	Knutson	Olhoff	Schmitz	Wegener
Chmielewski	Kroening	Penny	Setzepfandt	Willet
Dahl	Kronebusch	Peterson, D. L.	Solon	

Messrs. Davis and Knoll 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. 315: A bill for an act relating to health; establishing a state advisory task force on epilepsy; appropriating money.

Senate File No. 315 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 315 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 315 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stern
Bang	Engler	Lantry	Peterson, R.W.	Stokowski
Belanger	Frank	Lessard	Petty	Stumpf
Benson	Frederick	Lindgren	Pillsbury	Taylor
Berg	Frederickson	Luther	Purfeerst	Tennessee
Berglin	Hanson	Menning	Ramstad	Ulland
Bernhagen	Hughes	Merriam	Renneke	Vega
Bertram	Humphrey	Moe, D.M.	Rued	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Chmielewski	Keefe	Nelson	Setzepfandt	Willet
Dahl	Knoll	Olhoft	Sieloff	
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C.C.	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, herewith returned: S. F. No. 132.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

APPOINTMENTS

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

H. F. No. 769: Messrs. Penny, Stern and Pillsbury.

S. F. No. 31: Messrs. Dieterich, Stumpf and Belanger.

S. F. No. 937: Messrs. Petty, Frank and Mrs. Kronebusch.

S. F. No. 368: Ms. Berglin, Messrs. Humphrey and Belanger.

S. F. No. 179: Messrs. Chmielewski, Lessard and Belanger.

S. F. No. 1154: Messrs. Chmielewski, Rued and Lessard.

H. F. No. 1474: Messrs. Nelson, Penny, Willet, Keefe and Stumpf.

H. F. No. 1475: Messrs. Luther, Willet, Menning, Purfeerst and Ashbach.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

REPORTS OF COMMITTEES

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

Mr. Moe, R. D. from the Committee on Rules and Administration, to which

was referred

S. F. No. 1382: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature; amending H.F. No. 332, Sections 11, Subdivision 4; and 15, Subdivision 1.

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

Page 1, after line 14, insert:

“Sec. 3. A law enacted at the 1981 regular session styled as H.F. No. 332, section 10, subdivision 1, is amended in paragraph (e) by deleting “at the hearing”

Sec. 4. Minnesota Statutes 1980; Section 595.02, as amended by Laws 1981, Chapter 131, Section 2, is amended to read:

595.02 [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other; be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of such attorney be examined as to such communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of such person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of such patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the

beneficiaries shall be deemed to be the personal representatives of such deceased person for the purpose of waiving the privilege hereinbefore created, and no oral or written waiver of the privilege hereinbefore created shall have any binding force or effect except that the same be made upon the trial or examination where the evidence is offered or received.

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses;

(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

(8) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication of the person if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which he is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege.

Sec. 5. Minnesota Statutes 1980, Section 15.0413, as amended at the 1980 regular session by a law styled as S.F. No. 1043, is amended to read:

15.0413 [EFFECT OF ADOPTION OF RULES; ADOPTION OF RULES OTHERWISE EXEMPT FROM PROCEDURES.]

Subdivision 1. [FORCE OF LAW.] Every rule approved by the attorney general and filed in the office of the secretary of state as provided in section 15.0412 shall have the force and effect of law five working days after its notice of adoption is published in the state register unless a later date is required by statute or specified in the rule. The secretary of state shall keep a permanent record of rules filed with that office open to public inspection.

Subd. 2. [AMENDMENTS; REPEALERS; SUSPENDED RULES.] Each rule hereafter amended, suspended, or repealed is amended, suspended, or repealed five working days after the appropriate notice is published in the state register unless a later date is required by law or specified in the rule.

Subd. 3. [EXEMPT AGENCIES AND RULES.] (a) Any rules adopted, amended, suspended, or repealed by any agency but excluded from the administrative procedure act by section 15.0411, subdivision 2, shall have the force and effect of law upon compliance with the procedures of paragraph (c) of this subdivision. However, this subdivision does not apply to:

(1) rules implementing emergency powers pursuant to sections 12.31 to 12.37;

(2) rules of agencies directly in the legislative or judicial branches; or

(3) rules of the regents of the University of Minnesota.

(b) Rules adopted, amended, suspended, or repealed by any agency but excluded from the definition of "rule" in section 15.0411, subdivision 3, shall have the force and effect of law upon compliance with paragraph (c) of this subdivision.

However, this subdivision does not apply to:

(1) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public; or,

(2) opinions of the attorney general.

(c) The rules have the force and effect of law if:

(1) the revisor of statutes approves the form of the rules by certificate;

(2) two copies of the rules with the revisor's certificate are filed in the office of the secretary of state; and,

(3) a copy is published in the state register.

(d) The rules become effective five working days after publication in the state register. The secretary of state shall forward one copy of each rule to the revisor of statutes. Rules filed in accordance with this subdivision, as it is in effect on the date the rules were filed, shall be included in Minnesota Rules.

(e) Any law exempting an agency or rule from sections 15.0411 to 15.052 shall not be construed as preventing an agency from complying with this subdivision, unless the law specifically provides to the contrary.

Subd. 3a. [PREVIOUSLY FILED RULES; PREVIOUSLY EXEMPT AGENCIES.] Rules excluded from the administrative procedure act in Minnesota Statutes 1978, Section 15.0411, Subdivision 2, but included in the rulemaking provisions of the act in Minnesota Statutes 1980, Section 15.0411, Subdivision 2, have the force and effect of law and shall be published by the revisor of statutes pursuant to section 648.50, to the extent the rules are still in effect, if the rules were:

(1) adopted by an agency; and,

(2) filed with the secretary of state before April 25, 1980.

Subd. 3b. [UNFILED RULES; PREVIOUSLY EXEMPT AGENCIES.] Rules excluded from the administrative procedure act in Minnesota Statutes 1978, Section 15.0411, Subdivision 2, but included in the rulemaking provisions of the act in Minnesota Statutes 1980, Section 15.0411, Subdivision 2, shall have the force and effect of law and be published by the revisor of statutes pursuant to section 648.50, to the extent the rules are still in effect, if:

(1) the rules were adopted by an agency;

(2) the rules were not filed with the secretary of state before April 25, 1980; and,

(3) a copy of the rules which were effective on April 25, 1980, but unfiled with the secretary of state are filed with both the secretary of state and the

revisor of statutes before September 1, 1981.

Sec. 6. A law enacted at the 1980 regular session styled as S.F. No. 876, is amended by deleting section 30, subdivision 3.

Sec. 7. Minnesota Statutes 1980, Section 47.20, Subdivision 6a, as amended by Laws 1981, Chapter 137, Section 6, is amended to read:

Subd. 6a. If the purpose of a conventional loan, or loan made pursuant to the authority granted in subdivision 1, clause (3) or (4), is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate and shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments, and (3) executes an agreement in writing to pay interest on the remaining obligation at a new interest rate which will be the bank's lender's current market rate of interest on similar loans at the time of the transfer, but which will be no greater than the most recently published monthly index of the federal national mortgage association auction yields as compiled by the federal national mortgage association. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument."

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 6, after "Sections" insert "10, Subdivision 1;"

Page 1, line 6, before the period, insert "; amending Minnesota Statutes 1980, Sections 15.0413, as amended; 47.20, Subdivision 6a, as amended; 595.02, as amended; and 1980 S. F. No. 876"

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

Mr. Moe, R. D. from the Committee on Rules and Administration, to which was referred

S. F. No. 276: A bill for an act relating to health; establishing a study commission on the use of state facilities in lieu of reimbursing private facilities for some purposes.

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

Page 1, line 9, delete "two" and insert "three"

Page 1, line 10, delete "two" and insert "three"

And when so amended the bill be re-referred to the Committee on Health, Welfare and Corrections. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for February 2, 1981:

COUNCIL ON QUALITY EDUCATION

Patt Hobbs
Lucille E. Lackore
Judith Roy

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

Mr. Moe, R. D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 1382 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Chmielewski moved that S. F. No. 436 be taken from the table. The motion prevailed.

S. F. No. 436: A bill for an act relating to children; providing for review of foster care status of certain children; amending Minnesota Statutes 1980, Sections 257.071, Subdivisions 2, 3 and 4; 260.015, Subdivision 7; 260.111, Subdivision 2; and 260.131, by adding a subdivision; proposing new law to be coded in Minnesota Statutes, Chapter 260.

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 436 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 436 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:

Ashbach	Dicklich	Kronebusch	Peterson, D. L.	Spear
Bang	Dieterich	Langseth	Peterson, R. W.	Stern
Belanger	Engler	Lantry	Petty	Stokowski
Benson	Frank	Lessard	Pillsbury	Stumpf
Berg	Frederick	Luther	Purfeerst	Taylor
Bernhagen	Frederickson	Menning	Ramstad	Tennessee
Bertram	Humphrey	Merriam	Renneke	Ulland
Brataas	Kamrath	Moe, D. M.	Rued	Vega
Chmielewski	Keefe	Moe, R. D.	Schmitz	Waldorf
Dahl	Knoll	Nelson	Setzepfandt	Wegener
Davies	Knutson	Olhoft	Sieloff	Willet
Davis	Kroening	Penny	Solon	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Spear moved that S. F. No. 269, No. 9 on General Orders, be stricken

and returned to the Committee on Public Employees and Pensions. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Hughes moved that the following members be excused for a Conference Committee on S. F. No. 1251 from 8:00 to 9:45 p. m.:

Messrs. Hughes, Merriam and Lindgren. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 493 a Special Order to be heard immediately.

H. F. No. 493: A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; 429.021, Subdivision 1; and 474.02, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 16, 116H, 216B, 465, and 475.

CALL OF THE SENATE

Mr. Humphrey imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 493 was read the third time 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:

Belanger	Engler	Lessard	Penny	Spear
Berglin	Frank	Lindgren	Peterson, C.C.	Stern
Bernhagen	Frederickson	Luther	Peterson, D.L.	Stokowski
Bertram	Hanson	Menning	Peterson, R.W.	Stumpf
Chmielewski	Hughes	Merriam	Petty	Tennessen
Dahl	Humphrey	Moe, D. M.	Ramstad	Ulland
Davis	Knoll	Moe, R. D.	Rued	Vega
Davis	Kroening	Nelson	Schmitz	Waldorf
Dicklich	Langseth	Olhoft	Setzepfandt	Wegener
Dieterich	Lantry	Pehler	Solon	Willet

Those who voted in the negative were:

Ashbach	Berg	Kamrath	Kronebusch	Taylor
Bang	Brataas	Keefe	Pillsbury	
Benson	Frederick	Knutson	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill

Scheduling, designated H. F. No. 900 a Special Order to be heard immediately.

H. F. No. 900: A bill for an act relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses, wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money; amending Minnesota Statutes 1980, Section 4.36, Subdivision 2; repealing Laws 1979, Chapter 301, Section 6, Subdivision 1.

Mr. Berg moved to amend H.F. No. 900 as follows:

Page 1, line 23, delete "\$30,320,000" and insert "\$25,320,000"

Page 1, line 28, delete "\$12,490,000" and insert "\$7,490,000"

CALL OF THE SENATE

Mr. Willet imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Keefe moved to amend the Berg amendment to H. F. No. 900 as follows:

Line 2 of the Berg amendment, delete "\$25,320,000" and insert "\$12,500,000"

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

The question recurred on the Berg amendment.

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Bang	Bertram	Frederickson	Peterson, D.L.	Rued
Benson	Engler	Kamrath	Purfeerst	Taylor
Berg	Frederick	Kronebusch	Renneke	Ulland
Bernhagen				

Those who voted in the negative were:

Belanger	Hughes	Luther	Peterson, R.W.	Stumpf
Brataas	Humphrey	Menning	Petty	Tennessee
Chmielewski	Keefe	Merriam	Pillsbury	Vega
Dahl	Knoll	Moe, D. M.	Ramstad	Waldorf
Davies	Kroening	Moe, R. D.	Setzepandt	Wegener
Davis	Langseth	Nelson	Sieloff	Willet
Dicklich	Lantry	Olhoft	Spear	
Dieterich	Lessard	Pehler	Stern	
Frank	Lindgren	Penny	Stokowski	

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

Mr. Keefe moved to amend H.F. No. 900 as follows:

Page 1, line 23, delete "\$30,320,000" and insert "\$28,725,600"

Page 4, delete lines 33 to 36

Page 5, delete lines 1 to 21

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Bertram	Frederickson	Lindgren	Rued
Bang	Brataas	Kamrath	Peterson, D.L.	Taylor
Benson	Dicklich	Keefe	Pillsbury	Ulland
Berg	Engler	Kronebusch	Ramstad	Waldorf
Bernhagen	Frederick	Lessard	Renneke	

Those who voted in the negative were:

Belanger	Humphrey	Moe, D. M.	Purfeerst	Tennessee
Chmielewski	Knoll	Moe, R. D.	Schmitz	Vega
Dahl	Kroening	Nelson	Setzepfandt	Wegener
Davies	Langseth	Olhoft	Sieloff	Willet
Davis	Lantry	Pehler	Spear	
Dieterich	Luther	Penny	Stern	
Frank	Menning	Peterson, R.W.	Stokowski	
Hughes	Merriam	Petty	Stumpf	

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

H. F. No. 900 was read the third time 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 20, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Pehler	Sikorski
Bang	Frank	Lindgren	Penny	Spear
Belanger	Hanson	Luther	Peterson, C.C.	Stern
Berglin	Hughes	Menning	Peterson, R.W.	Stokowski
Dahl	Humphrey	Merriam	Petty	Stumpf
Davies	Johnson	Moe, D. M.	Purfeerst	Vega
Davis	Knoll	Moe, R. D.	Ramstad	Waldorf
Dicklich	Kroening	Nelson	Schmitz	Wegener
Dieterich	Lantry	Olhoft	Setzepfandt	Willet

Those who voted in the negative were:

Benson	Brataas	Kamrath	Peterson, D.L.	Sieloff
Berg	Chmielewski	Keefe	Pillsbury	Taylor
Bernhagen	Frederick	Kronebusch	Renneke	Tennessee
Bertram	Frederickson	Langseth	Rued	Ulland

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 3 a Special Order to be heard immediately.

H. F. No. 3: A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain

funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

Was read the third time 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Knoll	Peterson, D.L.	Sjeloff
Bang	Engler	Kroening	Peterson, R.W.	Stern
Benson	Frank	Kronebusch	Petty	Stokowski
Berg	Frederick	Langseth	Pillsbury	Stumpf
Bernhagen	Frederickson	Lantry	Purfeerst	Taylor
Bertram	Hanson	Lindgren	Ramstad	Tennessee
Chmielewski	Hughes	Luther	Renneke	Ulland
Dahl	Humphrey	Menning	Rued	Vega
Davies	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davis	Keefe	Olhoft	Setzepfandt	

Those who voted in the negative were:

Belanger	Dicklich	Nelson	Penny	Willet
Berglin	Lessard			

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 826 a Special Order to be heard immediately.

H. F. No. 826: A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

Mrs. Lantry moved to amend H.F. No. 826, as amended by the Committee on Finance, adopted May 12, 1981, as follows:

Delete all the amendments placed on H. F. No. 826 by the Committee on Finance, adopted by the Senate May 12, 1981 and further amend as follows:

Page 1, delete section 1

Page 2, lines 10 and 11, delete "*pilot project and its objectives*" and insert "*timetable and cost of designing and pilot testing the surveillance system*"

Page 2, line 12, before the period insert "*, contingent on the performance of a pilot project as specified in section 1*"

Page 2, line 22, after the period insert "*The commissioner shall consult with*

representatives of the provider community, the existing registries, public health professionals, labor concerns, environmental protection groups, veterans groups and other interested consumers before preparing the report."

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

H. F. No. 826 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 59 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kroening	Olhoft	Sikorski
Bang	Dicklich	Kronebusch	Penny	Spear
Belanger	Dieterich	Langseth	Peterson, C. C.	Stern
Benson	Engler	Lantry	Peterson, D. L.	Stokowski
Berg	Frank	Lessard	Peterson, R. W.	Stumpf
Berglin	Frederick	Lindgren	Petty	Taylor
Bernhagen	Frederickson	Luther	Pillsbury	Tennessee
Bertram	Hanson	Menning	Ramstad	Ulland
Brataas	Hughes	Merriam	Renneke	Vega
Chmielewski	Humphrey	Moe, D. M.	Rued	Waldorf
Dahl	Keefe	Moe, R. D.	Schmitz	Willet
Davies	Knoll	Nelson	Sieloff	

Mr. Kamrath voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1143 a Special Order to be heard immediately.

H. F. No. 1143: A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a

withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing for the computation of basis; providing for the liability of taxes due on a combined return; clarifying property tax refund interest provisions; providing penalties; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1 and 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 7; 290A.07, Subdivisions 2 and 3; 290A.08; 290A.11, Subdivisions 2 and 4; proposing new law coded in Minnesota Statutes, Chapters 290 and 290A; repealing Minnesota Statutes 1980, Sections 290.032, Subdivision 4; and 290A.07, Subdivision 4.

Mr. Dieterich moved that the amendment made to H.F. No. 1143 by the Committee on Rules and Administration in the report adopted May 8, 1981, pursuant to Rule 49, be stricken. The motion did not prevail.

RECONSIDERATION

Having voted on the prevailing side, Mr. Chmielewski moved that the vote whereby the Dieterich motion to strike the Rule 49 amendment to H. F. No. 1143 failed, be now reconsidered. The motion prevailed.

The question recurred on the Dieterich motion. The motion prevailed.

Mr. Merriam moved to amend H. F. No. 1143 as follows:

Pages 2 to 4, delete sections 2 and 3

Page 32, lines 4 to 13, delete the new language

Page 45, line 12, delete "28" and insert "26"

Page 52, delete line 19 and insert "*Sections 1, 8, 11, 18, 20, 21, 22, 23, 29, 31, and*"

Page 52, line 20, delete "35" and insert "33" and delete "5, 6" and insert "3, 4"

Page 52, delete line 21 and insert "*5, 6, 7, 10, 12, 13, 14, 15, 16, 17, 19, 27 and 41 are*"

Page 52, lines 23 and 24, delete "4" and insert "2"

Page 52, line 25, delete "11" and insert "9"

Page 52, line 27, delete "26, 27, 28 and 30" and insert "24, 25, 26 and

28" and delete "32" and insert "30"

Page 52, line 28, delete "34" and insert "32"

Page 52, line 29, delete "36 and 37" and insert "34 and 35"

Page 52, line 30, delete "40 and 42" and insert "38 and 40"

Page 52, line 33, delete "38 and 39" and insert "36 and 37"

Page 52, line 35, delete "41" and insert "39"

Page 53, line 2, delete "41" and insert "39"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, delete lines 8 to 12

Page 1, line 13, delete "welfare;"

Page 1, line 43, delete "15.1691, Subdivision 2; 268.12,"

Page 1, line 44, delete "Subdivision 12;"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend H. F. No. 1143 as follows:

Page 14, line 22, delete "(a)" and insert "(A)"

Page 50, line 18, after "290A.07," insert "Subdivision 2,"

Page 50, delete lines 20 to 23

Page 50, after line 34, insert:

"Sec. 40. Minnesota Statutes 1980, Section 290A.07, Subdivision 3, is amended to read:"

Page 51, delete lines 5 to 8.

Page 52, after line 17, insert:

"Sec. 45. [REPEALER.]

Minnesota Statutes 1980, Section 290A.07, Subdivision 4, is repealed."

Page 52, line 21, delete "7,"

Page 52, line 21, delete "43" and insert "44"

Page 52, line 25, after the period insert "Section 7 is effective for taxable years beginning after December 31, 1980 provided that interest on investment indebtedness paid or accrued in a taxable year beginning before January 1, 1981 may not be carried over to taxable years beginning after December 31, 1980."

Page 52, line 30, delete "40 and 42" and insert "41 and 43"

Page 52, line 33, delete "and" and insert a comma and after "39" insert "40, and 45"

Page 52, line 35, delete "41" and insert "42"

Page 53, line 2, delete "41" and insert "42"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 2, line 8, after "290A.07" insert ", Subdivisions 2 and 3"

Page 2, line 10, delete "Section" and insert "Sections" and after "4" insert "; and 290A.07, Subdivision 4"

The motion prevailed. So the amendment was adopted.

H. F. No. 1143 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Pehler	Sikorski
Bang	Frank	Lantry	Penny	Solon
Belanger	Frederickson	Lessard	Peterson, C.C.	Spear
Benson	Hughes	Lindgren	Peterson, D.L.	Stokowski
Bernhagen	Humphrey	Luther	Peterson, R.W.	Taylor
Bertram	Johnson	Menning	Petty	Tennessee
Brataas	Keefe	Merriam	Purfeerst	Ulland
Dahl	Knoll	Moe, D. M.	Ramstad	Vega
Davies	Knutson	Moe, R. D.	Schmitz	Waldorf
Dicklich	Kroening	Nelson	Setzepfand	
Dieterich	Kronebusch	Olhoft	Sieloff	

Those who voted in the negative were:

Berg	Davis	Renneke	Rued	Willet
Chmielewski	Kamrath			

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

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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. 74: A bill for an act relating to trade regulations; prescribing a penalty for the sale of imitation Indian-made goods without a brand; amending Minnesota Statutes 1980, Section 325F.46.

Senate File No. 74 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the

House to S. F. No. 74 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 74 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 6, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Pehler	Solon
Bang	Dieterich	Lantry	Penny	Spear
Benson	Engler	Lessard	Peterson, C.C.	Stokowski
Berg	Frank	Lindgren	Peterson, R.W.	Taylor
Bernhagen	Frederickson	Luther	Petty	Tennessee
Bertram	Hughes	Menning	Purfeerst	Ulland
Brataas	Johnson	Merriam	Ramstad	Vega
Chmielewski	Keefe	Moe, D. M.	Renneke	Waldorf
Dahl	Knoll	Moe, R. D.	Schmitz	Willet
Davies	Knutson	Nelson	Setzepfandt	
Davis	Kroening	Olhoft	Sikorski	

Those who voted in the negative were:

Belanger	Kronebusch	Peterson, D.L.	Rued	Sieloff
Kamrath				

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Pehler moved that S. F. No. 650 be taken from the table. The motion prevailed.

S. F. No. 650: A bill for an act relating to education; providing for the inclusion of certain community college and state university faculty members in the definition of an employee under the public employment labor relations act of 1971; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

CONCURRENCE AND REPASSAGE

Mr. Pehler moved that the Senate concur in the amendments by the House to S. F. No. 650 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 650 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:

Ashbach	Dicklich	Kroening	Pehler	Solon
Bang	Dieterich	Kronebusch	Penny	Spear
Belanger	Engler	Langseth	Peterson, C. C.	Siokowski
Benson	Frank	Lantry	Peterson, D. L.	Taylor
Berg	Frederickson	Lessard	Peterson, R. W.	Tennessee
Berglin	Hanson	Lindgren	Petty	Ulland
Bernhagen	Hughes	Luther	Ramstad	Vega
Bertram	Humphrey	Menning	Renneke	Waldorf
Brataas	Johnson	Merriam	Rued	Willet
Chmielewski	Kamrath	Moe, D. M.	Schmitz	
Dahl	Keefe	Moe, R. D.	Setzepfandt	
Davies	Knoll	Nelson	Sieloff	
Davis	Knutson	Olhoft	Sikorski	

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 House Files, herewith transmitted: H. F. Nos. 315, 1210, 1357 and 546.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

FIRST READING OF HOUSE BILLS

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

H. F. No. 315: A bill for an act relating to taxation; real property; decreasing the classification ratio on apartments; amending Minnesota Statutes 1980, Section 273.13, Subdivision 19.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1210: A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 290.971; 290.972; and 290.975.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1152, now on the Calendar.

H. F. No. 1357: A bill for an act relating to the Mountain Iron joint recreation board; regulating its tax levy.

Referred to the Committee on Local Government and Urban Affairs.

H. F. No. 546: A bill for an act relating to insurance; extending the insurance division revolving fund; providing for a program of continuing education; establishing a continuing insurance education advisory committee; authorizing the commissioner of insurance to promulgate rules to implement the program;

requiring certain disclosures on credit insurance policies and application; amending Minnesota Statutes 1980, Sections 60A.03, Subdivision 6; and 62B.06, Subdivisions 2, 3 and 4; and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 60A.

Referred to the Committee on Finance.

MEMBERS EXCUSED

Mr. Solon was excused from this evening's Session from 10:30 p.m. to 12:00 midnight. Mr. Pillsbury was excused from this evening's Session at 12:15 a.m.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Saturday, May 16, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-SIXTH DAY

St. Paul, Minnesota, Saturday, May 16, 1981

The Senate met at 9:00 a. m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Arnold H. Heumann.

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

Ashbach	Dieterich	Kronebusch	Peterson, C.C.	Spear
Bang	Engler	Langseth	Peterson, D.L.	Stern
Belanger	Frank	Lantry	Peterson, R.W.	Stokowski
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Lindgren	Pillsbury	Taylor
Berglin	Hanson	Luther	Purfeerst	Tennesen
Bernhagen	Hughes	Menning	Ramstad	Ulland
Bertram	Humphrey	Merriam	Renneke	Vega
Brataas	Johnson	Moe, D.M.	Rued	Waldorf
Chmielewski	Kamrath	Moe, R.D.	Schmitz	Wegener
Dahl	Keefe	Nelson	Setzepfandt	Willet
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	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. Pehler was excused from the Session of today from 9:00 to 9:40 a.m. Ms. Berglin was excused from the Session of today from 9:00 to 9:45 a.m. Mr. Knoll was excused from the Session of today from 9:00 to 10:00 a.m.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Pehler moved that the following members be excused for a Conference Committee on H. F. No. 1445 at 9:00 a.m.:

Messrs. Johnson; Hanson; Peterson, C.C.; Pehler and Ms. Berglin. The motion prevailed.

Pursuant to Rule 21, Mr. Nelson moved that the following members be excused for a Conference Committee on H. F. No. 1474 at 10:00 a.m.:

Messrs. Nelson, Willet, Penny, Stumpf and Keefe. The motion prevailed.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated.

May 4, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

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

Lucinda L. Hruska-Claeys, 7626 Bloomington Avenue South, Richfield, Hennepin County, has been appointed by me, effective May 4, 1981, for a term expiring the first Monday in January, 1984.

Michael Naylor, Route 1, Backus, Cass County, has been appointed by me, effective May 4, 1981, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Agriculture and Natural Resources.)

Sincerely yours,

Albert H. Quie, Governor

May 15, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 805, 145, 835, 159, 209, 399, 558, 215, 876 and 1087.

Sincerely yours,

Albert H. Quie, Governor

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. 533, 674 and 649.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

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 creditor's remedies; providing for an increase in the amount of household goods exemption; amending Minnesota Statutes 1980, Section 550.37, Subdivision 4.

Senate File No. 830 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Davies 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 47 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Langseth	Penny	Solon
Belanger	Dicklich	Lantry	Peterson, D. L.	Stokowski
Benson	Dieterich	Lessard	Peterson, R. W.	Stumpf
Berg	Engler	Lindgren	Petty	Taylor
Bernhagen	Frank	Luther	Purfeerst	Vega
Bertram	Frederick	Menning	Ramstad	Waldorf
Brataas	Frederickson	Moe, D. M.	Renneke	Wegener
Chmielewski	Kamrath	Moe, R. D.	Rued	
Dahl	Kroening	Nelson	Schmitz	
Davies	Kronebusch	Olhoft	Setzepfandt	

Mr. Willet voted in the negative.

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

MESSAGES FROM THE HOUSE -CONTINUED

Mr. President:

I have the honor to announce 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. 890: A bill for an act relating to wild animals; increasing the amount of the reward which may be paid for information relating to game law violations; amending Minnesota Statutes 1980, Section 97.51.

Senate File No. 890 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Bernhagen moved that the Senate concur in the amendments by the House to S. F. No. 890 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 890 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	Davis	Kronebusch	Olhofs	Setzepfandt
Belanger	Dicklich	Langseth	Penny	Solon
Benson	Dieterich	Lantry	Peterson, D. L.	Stokowski
Berg	Engler	Lessard	Peterson, R. W.	Stumpf
Bernhagen	Frank	Lindgren	Petty	Taylor
Bertram	Frederick	Luther	Purfeerst	Vega
Brataas	Frederickson	Menning	Ramstad	Waldorf
Chmielewski	Humphrey	Moe, D. M.	Renneke	Wegener
Dahl	Kamrath	Moe, R. D.	Rued	Willet
Davies	Kroening	Nelson	Schmitz	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S. F. No. 34: A bill for an act relating to public welfare; allowing the commissioner of public welfare to grant a variance related to certain license holders whose licenses have been previously revoked; amending Minnesota Statutes 1980, Section 245.801, Subdivision 6.

Senate File No. 34 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 34 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 34 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Langseth	Peterson, D. L.	Stumpf
Belanger	Dieterich	Lantry	Peterson, R. W.	Taylor
Benson	Engler	Lessard	Petty	Ulland
Berg	Frank	Lindgren	Purfeerst	Vega
Bernhagen	Frederick	Luther	Ramstad	Waldorf
Bertram	Frederickson	Menning	Renneke	Wegener
Brataas	Hughes	Moe, D. M.	Rued	Willet
Chmielewski	Humphrey	Moe, R. D.	Schmitz	
Dahl	Kamrath	Olhofs	Setzepfandt	
Davies	Kroening	Pehler	Solon	
Davis	Kronebusch	Penny	Stokowski	

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. 1434 and

repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1434 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CALL OF THE SENATE

Mr. Renneke imposed a call of the Senate for the proceedings on H. F. No. 1434. The Sergeant at Arms was instructed to bring in the absent members.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1434

A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.295, Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

May 14, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1434, 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. 1434 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.] The sums set forth in the columns designated “APPROPRIATIONS” are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures “1981”, “1982”, and “1983”, wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

(Net after transfers)

	1981	1982	1983	TOTAL
General	\$75,000	\$37,793,800	\$37,615,700	\$75,484,500
Airports		10,319,300	9,956,300	20,275,600
M.S.A.S.		35,208,600	35,280,900	70,489,500
C.S.A.H.		107,291,200	107,524,900	214,816,100
Tr. Hwy.		337,171,700	341,119,500	678,291,200
Hwy. User		6,077,500	6,129,200	12,206,700

	1981	1982	1983	TOTAL
Special Revenue Fund		157,900	167,500	325,400
TOTAL	\$75,000	\$534,020,000	\$537,794,000	\$1,071,889,000

APPROPRIATIONS
Available for the Year
Ending June 30
1982 1983

Sec. 2. TRANSPORTATION

Subdivision 1. Total Department Appropriation			\$455,727,400	\$458,297,700
Approved Complement -		4313		
Trunk Highway -		4309		
Federal -		4		

The approved complement in this section as adjusted pursuant to subdivisions 8, 9, or 10 of this section shall be in effect on January 1, 1982.

The appropriations in this section are from the trunk highway fund, except where another fund is designated.

Of this appropriation, \$1,000,000 the first year is from the general fund; \$10,284,900 the first year and \$9,919,000 the second year is from the state airports fund; \$35,208,600 the first year and \$35,280,900 the second year is from the municipal state aid street fund; \$107,291,200 the first year and \$107,524,900 the second year is from the county state aid highway fund; \$301,942,700 the first year and \$305,572,900 the second year is from the trunk highway fund.

Subd. 2. Planning			2,672,600	2,690,200
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Of this amount \$175,000 each year is available for grants to regional development commissions outside the seven county metropolitan area for transportation studies to identify critical concerns, problems and issues.

Subd. 3. Highway Operations			406,624,000	409,935,500
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The amounts that may be expended from this appropriation for each activity are as follows:

Highway Maintenance	\$ 85,182,500	\$ 87,537,000
Maintenance Preservation	\$ 7,500,000	\$ 7,500,000
District Construction Support	\$ 23,033,200	\$ 23,094,500
Highway Improvement	\$138,000,000	\$139,000,000

This appropriation is for the actual construction,

1982 1983
\$ \$

reconstruction, and improvement of trunk high-ways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest sub-sidies, and relocation expenses.

County State Aids
\$107,291,200 \$107,524,900

This appropriation is from the county state-aid highway fund and is available until expended.

Municipal State Aids
\$ 35,208,600 \$ 35,280,900

This appropriation is from the municipal state-aid street fund and is available until expended.

If an appropriation for either county state aids or municipal state aids is insufficient to exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

Highway Debt Service
\$ 10,408,500 \$ 9,998,200

For transfer to the state bond fund:

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

Subd. 4. Public
Transportation 2,474,400 1,487,800

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Transportation Rates and Regulation
\$ 539,000 \$ 546,100

(b) Transit Administration
\$ 352,000 \$ 354,500

The appropriation made by Laws 1979, Extra Session, Chapter 1, Section 4, for development of operating standards for vehicles providing

	1982	1983
	\$	\$

special transportation service and of procedures for enforcing the standards shall be available until June 30, 1983.

(c) Railroad Administration
\$ 583,400 \$ 587,200

(d) Rail Service Improvement Grants
\$ 1,000,000

This appropriation is from the general fund for transfer to the rail service improvement account.

This appropriation shall be used to maximize the use of federal money.

(e) AMTRAK operations for the Northstar line between Minneapolis-St. Paul and Duluth
\$ 75,000

This appropriation may be used to satisfy any deficit and may be expended only if funds from any municipality or other sources are so appropriated or otherwise received. This appropriation shall be used to match on a 50-50 basis the amount received from the other sources. These funds shall be available immediately.

Subd. 5. Aeronautics Operations 11,654,200 11,204,600

The amounts that may be expended from this appropriation for each activity are as follows:

Aeronautics Operations
\$ 369,900 \$ 373,300

The commissioner shall not require the registration of personal use airports except for those within five miles of a public airport, whether privately or publicly owned.

Aeronautics Development and Assistance
\$10,696,900 \$10,722,200

\$7,293,300 the first year and \$7,233,500 the second year is for airport construction grants.

\$1,105,500 the first year and \$1,211,700 the second year is for airport maintenance grants.

\$1,040,300 the first year and \$1,066,300 the second year is for navigational aids.

The appropriations for construction grants, maintenance grants, and navigational aids are from the state airports fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. These appropriations shall be expended only for grant-in-aid programs for airports that are not state owned.

	1982	1983
	\$	\$

These appropriations are to be expended in accordance with Minnesota Statutes, Section 360.305, Subdivision 4, Clauses (1), (2), (4) and (5).

The commissioner of transportation may transfer unencumbered balances among these appropriations with the approval of the governor after consultation with the legislative advisory commission.

\$350,000 the first year and \$400,000 the second year is from the state airports fund to increase the capitalization of the hangar revolving account from \$2,800,000 to \$3,150,000 in the first year and \$3,550,000 in the second year.

\$17,500 the first year and \$7,500 the second year is from the state airports fund for maintenance of the Pine Creek Airport.

Air Transportation Services
\$ 109,100 \$ 109,100

The commissioner of transportation shall expend no money for pilot uniforms.

Aeronautics Debt Service
\$ 478,300

This appropriation is from the state airports fund for transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

Subd. 6. Technical Services 17,768,100 18,076,800

The amounts that may be expended from this appropriation for each activity are as follows:

Engineering Services
\$10,284,800 \$10,512,200

Engineering Development
\$ 5,195,700 \$ 5,257,000

\$75,000 the first year and \$75,000 the second year is for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. Expenditures from this account are subject to the approval of the commissioner

	1982	1983
	\$	\$
of finance. Reimbursements shall be deposited in the trunk highway fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.		
State Aid Technical Assistance		
\$ 319,600	\$ 321,000	
The variance committee shall be continued at the fiscal year 1981 level.		
Electronic Communications		
\$ 1,326,400	\$ 1,342,100	
Environmental Services		
\$ 641,600	\$ 644,500	
Subd. 7. General Support	14,534,100	14,902,800

The amounts that may be expended from this appropriation for each activity are as follows:

Finance and Administration		
\$ 6,255,900	\$ 6,345,200	
Equipment		
\$ 4,933,800	\$ 5,089,800	
General Services		
\$ 2,949,500	\$ 3,038,900	

\$400,000 the first year and \$400,000 in the second year is for development of a computerized cost accounting system.

The commissioner of transportation shall submit forthwith to the chairmen of the house appropriations and senate finance committees a cost and time schedule for completion of the development project once phase II of the PRIDE procedure has been approved by the commissioners of administration and finance. This cost and time schedule shall include a description of the elements and costs of the development project which are anticipated to extend beyond the 1982-1983 biennium.

In addition the commissioner shall prepare a report every three months beginning October 1, 1981, describing the progress made in developing the computer system. The reports shall be sent to the above named chairmen.

Programming specifications for each stage of the project shall be frozen at the completion of PRIDE phase III for that stage. Any deviation shall require the approval of the commissioner of administration. If at the end of any quarter, development project expenditures exceed the schedule by 25 percent or more, the project shall

1982

1983

\$

\$

be halted immediately and shall not resume until reviewed and approved by the commissioners of administration and finance.

If the appropriation for either year is insufficient, the appropriation for the other year is available. However, the appropriation for the second year shall be expended with the approval of the governor, after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30.

Legal Services

\$ 394,900	\$ 428,900
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This appropriation is for the purchase of legal services from or through the attorney general.

Subd. 8. New Revenue Appropriated

The purpose of this subdivision is to provide a mechanism for increasing department of transportation complement and operational expenditures from the levels provided in the previous subdivisions of this section if new revenues are provided by the legislature to the department for highway purposes.

(a) Immediately following the adjournment of the 1981 session of the legislature, the commissioner of finance shall determine the total amount of new revenue provided by all acts of the legislature to the department of transportation for highway related purposes. The commissioner of finance shall report that amount of new revenue with an explanation of how the new revenue estimates were determined to the chairman of the senate finance committee and the chairman of the house appropriations committee.

(b) Appropriations to the department of transportation for operational purposes may increase by 7 percent of the new revenue determined pursuant to paragraph (a) of this subdivision. Complement may increase by 1 position for each \$1,000,000 of new revenue for the first \$100,000,000 of new revenue, by .55 positions for each \$1,000,000 of new revenue for new revenue from \$100,000,000 to \$200,000,000, and by .3 positions for each \$1,000,000 of new revenue for new revenue from \$200,000,000 to \$223,000,000. A detailed biennial spending and complement plan shall be submitted by the commissioner of transportation to the commissioner of finance, approved by the commissioner of finance, and reported to the chairman

	1982	1983
\$		\$

of the senate finance committee and the chairman of the house appropriations committee by June 30, 1981. In no activity may the appropriations in this plan exceed those recommended by the governor in his biennial budget, and in no event shall the complement increase by more than 161 positions over the complement set in this act.

(c) The amounts necessary to provide increases in appropriations pursuant to this subdivision are appropriated from the trunk highway fund to the commissioner of transportation.

Subd. 9. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations from the trunk highway fund made in this section. No transfer shall be made from the appropriation for highway improvement, except to the appropriation for highway maintenance, 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 appropriations for debt service 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.

Subd. 10. 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 improvement or for departmental operations 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.

Subd. 11. Reimbursement

(a) The sums of \$1,140,500 for the first year and \$1,152,900 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, 1982 and January 1, 1983, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk

	1982	1983
	\$	\$

highways.

These represent amounts appropriated out of the trunk highway fund for general fund purposes as follows: transportation rates and regulation; transit administration; railroads, ports and pipelines; and general services.

(b) The sums of \$1,403,600 for the first year and \$1,316,400 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, 1982 and January 1, 1983, 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 aeronautics purposes in subdivision 5, and for general services in subdivision 7.

Sec. 3. PUBLIC SAFETY

General Operations and Management

55,949,800 56,943,800

	1982	1983
Approved Complement -	1,677.3	1,649.3
General -	395.2	392.2
Trunk Highway -	1,023.3	1,026.3
Highway User -	182.6	174.6
Federal -	76.2	56.2

The above approved complement includes 504 in fiscal year 1982 and 511 in fiscal year 1983 for state funded unclassified patrol officers and supervisors of the highway patrol.

Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the exception of special duty assigned ranks for the length of assignment only.

Of this appropriation, \$14,655,500 for the first year and \$15,281,400 for the second year are from the general fund; \$34,400 the first year and \$37,300 the second year are from the state airports fund for the civil air patrol; \$35,182,400 for the first year and \$35,495,900 for the second year are from the trunk highway fund for traffic

	1982	1983
safety programs. \$6,077,500 for the first year and \$6,129,200 for the second year are from the highway user tax distribution fund for the administration of motor vehicle laws.	\$	\$

The amounts that may be expended from this appropriation for each program are as follows:

Administration and Related Services
 \$ 1,868,100 \$ 1,902,200

This appropriation is from the trunk highway fund.

Emergency Services
 \$ 610,600 \$ 615,800

The appropriation in Laws 1979, Chapter 333, Section 41, for air warning devices is available only to match local money on the basis of 50 percent state and 50 percent local.

The appropriation in Laws 1980, Chapter 611, Section 6, is available until June 30, 1983.

Criminal Apprehension
 \$ 8,092,100 \$ 8,660,000

Of this appropriation, \$230,700 the first year and \$233,600 the second year is from the trunk highway fund for blood alcohol analysis.

\$49,500 the first year and \$51,200 the second year is for the bureau of criminal apprehension to continue to provide in-service training for peace officers on a regional basis.

\$38,000 the first year and \$38,000 the second year is for reimbursing political subdivisions for training peace officers and firefighters in the conduct of arson investigations.

\$171,000 each year is for grants to local officials for the cooperative investigation of cross jurisdictional criminal activity. \$193,800 the first year and \$206,500 the second year is for use by the bureau of criminal apprehension for the purpose of investigating cross jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Fire Safety
 \$ 1,045,200 \$ 1,064,000

\$27,300 the first year and \$29,600 the second year is for reimbursing political subdivisions who enter into agreements to perform uniform fire code inspections.

	1982	1983
State Patrol	\$	\$
	\$24,550,600	\$24,654,000

This appropriation is from the trunk highway fund.

The commissioner may assign up to 11 pilots to the air patrolling of highways.

This appropriation provides sufficient money to operate the mobile truck weighing program on a 12 month basis.

No more than five positions in the state patrol support activity shall be filled by state troopers.

Capitol Security	\$	\$
	968,600	965,300

The commissioner shall submit to the legislature by January 1, 1982, a plan for coordinating capitol and mansion security activities.

Driver and Vehicle Licensing	\$17,578,800	\$17,789,100
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Of this appropriation, \$8,420,400 the first year and \$8,590,800 the second year is from the trunk highway fund, and \$6,077,500 the first year and \$6,129,200 the second year is from the highway user tax distribution fund.

During the biennium ending June 30, 1983, the commissioner of public safety shall continue to notify licensed drivers when their licenses need to be renewed.

Effective July 1, 1981, the fee for obtaining a copy of a traffic accident report is doubled.

License plates currently on hand in the department of public safety may be used for lifetime license plates.

Liquor Licensing	\$	\$
	461,600	463,200

Ancillary Services	\$	\$
	774,200	830,200

\$34,400 the first year and \$37,300 the second year is from the state airports fund for the civil air patrol.

\$112,600 the first year and \$115,300 the second year is from the trunk highway fund for traffic safety and research.

\$27,200 the first year and \$27,600 the second year is for the expenses of the Private Detective and Protective Agency Licensing Board.

1982 1983
\$ \$

The commissioner of public safety 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.

\$600,000 the first year and \$650,000 the second year is for the crime victims reparations board. If any funds are generated by a penalty assessment and dedicated for use in paying crime victims, the unexpended funds in this activity intended for payments to crime victims shall cancel. Any unencumbered balance remaining the first year does not cancel but is available for the second year of the biennium.

The sums of \$303,200 for the first year and \$313,800 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, 1982 and January 1, 1983 respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for general fund purposes in the administration and related services program.

The sums of \$383,800 for the first year and \$391,400 for the second year are appropriated from the highway user fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1982 and January 1, 1983 respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for highway user fund purposes in the administration and related services program.

Sec. 4. COMMERCE

General Operations and Management	6,736,000	6,792,300
	1982	1983
Approved Complement -	248	244
General -	245	241
Special -	3	3

The amounts that may be expended from this appropriation for each program are as follows:

Supervision of State Chartered Financial Institutions
\$ 2,205,500 \$ 2,232,500

	1982	1983
\$	\$	\$

Included in this appropriation is \$130,000 each year for employee salary structure changes. The department of employee relations is directed to review the classification structure of financial institution examiners and if revisions are appropriate to work with the department of commerce in preparing revised classification specifications and standards. If no or lesser adjustments are made, the remaining amounts shall cancel back to the general fund.

The commissioner of banks shall cooperate with the state treasurer in the conduct of audits relating to unclaimed property.

Investment Protection

\$ 998,700	\$ 1,024,300
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\$157,900 the first year and \$167,500 the second year is from the real estate education, research and recovery fund for the purpose of Minnesota Statutes, Section 82.34, Subdivision 6. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Consumer Services

\$ 1,111,300	\$ 1,101,000
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This appropriation includes funding for activities relating to cosmetology pursuant to sections 31 to 48 of this act.

The director of consumer services shall establish a statewide consumer outreach service to provide consumer services, education, and information throughout the state.

The staff complement of the section of consumer services shall be increased by four to carry out the program of the statewide consumer outreach service.

Regulation of Insurance Companies

\$ 1,700,300	\$ 1,721,600
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The commissioner of insurance shall cooperate with the state treasurer to improve procedures for notifying beneficiaries of the death of life insurance policyholders.

General Support

\$ 872,200	\$ 892,700
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General Staff Reduction

(\$ 27,600)	(\$ 55,500)
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The amounts appropriated for the several programs and activities each year shall be reduced

by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

General Reduction
 (\$ 124,400) (\$ 124,300)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

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 of the house of representatives.

Sec. 5. [NON-HEALTH RELATED BOARDS.]

	1982	1983
	\$	\$
Subdivision 1. Total for this section	1,467,300	1,460,700
Subd. 2. Board of Abstractors	3,700	3,900
Subd. 3. Board of Accountancy	185,100	195,700
Approved Complement - 4		
Subd. 4. Board of Architecture, Engineering and Land Surveying	244,700	237,200
Approved Complement - 7		
Subd. 5. Board of Barber Examiners	88,400	90,800
Approved Complement - 3		
Subd. 6. Board of Boxing and Wrestling	32,600	33,600
Approved Complement - 1		
Subd. 7. Board of Electricity	616,300	595,400
Approved Complement - 18		
Subd. 8. Board of Peace Officer Standards and Training		
General Operations and Management	290,700	297,600
Approved Complement - 10		
Subd. 9. Board of Examiners in Watchmaking	5,800	6,500

	1982	1983
	\$	\$
Sec. 6. PUBLIC UTILITIES COMMISSION	1,064,500	1,011,300
Approved Complement - 27		
<p>\$85,000 the first year is for transfer to the special account for administrative hearing costs.</p>		
Sec. 7. PUBLIC SERVICE General Operations and Management	2,959,000	3,024,500
Approved Complement - 98		
General - 94		
Federal - 4		
<p>The amounts that may be expended from this appropriation for each program are as follows:</p>		
Utility Regulation		
\$ 1,233,000	\$ 1,251,700	
Weights and Measures		
\$ 1,329,200	\$ 1,370,700	
<p>Effective July 1, 1981, the flat rate and hourly fees for regular and special weights and measures inspections by the department of public service shall be based upon hourly charges of \$35 for light duty devices, \$40 for heavy duty devices, and \$47 for laboratory work. Notice of the revised fees shall be published in the state register as soon as practicable. During the biennium ending June 30, 1983 these fees shall not be decreased, but may be increased pursuant to section 239.52, as amended by this act. Thereafter, the fees shall be set as provided in that section.</p>		
Administrative Services		
\$ 396,800	\$ 402,100	
<p>The public service department 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.</p>		
Sec. 8. ETHICAL PRACTICES BOARD ..	156,700	161,000
Approved Complement - 5		
Sec. 9. MINNESOTA MUNICIPAL BOARD	166,900	169,600
Approved Complement - 4		
Sec. 10. MINNESOTA- WISCONSIN BOUNDARY AREA COMMISSION	54,800	60,000

	1982	1983
	\$	\$
The amount expended shall not exceed the amount provided for the commission by the state of Wisconsin.		
Sec. 11. UNIFORM LAWS COMMISSION	12,600	12,900
Sec. 12. VOYAGEURS NATIONAL PARK CITIZENS COMMITTEE	51,000	52,000
Sec. 13. SOUTHERN MINNESOTA RIVERS BASIN BOARD	46,700	48,100
Sec. 14. MINNESOTA HISTORICAL SOCIETY	6,910,300	7,023,500

The amounts that may be expended from this appropriation for each program are as follows:

(a) Minnesota Historical Society
 Operations
 \$ 6,532,800 \$ 6,636,500

\$30,000 in the first year is for the purpose of maintaining Minnesota military history museums at Fort Snelling and Camp Ripley. Any unexpended funds shall not cancel and shall be available in the second year.

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.

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 appropriation in this subdivision includes no funds for compensation increases. The Minnesota historical society will draw on the open appropriation for that purpose. Employees of the Minnesota historical society will be paid in accordance with the appropriate pay plan.

(b) Historic Grant-In-Aid
 \$ 245,000 \$ 245,000

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) Fiscal Agent
 \$ 132,500 \$ 142,000

1982 1983
\$ \$

\$40,100 the first year and \$41,000 the second year is for the Sibley House Association.

This appropriation is available for operation and 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 and will provide the association with technical assistance in applying for federal grants.

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.

\$50,000 the first year and \$55,000 the second year is for the Government Learning Center.

\$26,500 the first year and \$28,700 the second year is for the Minnesota Humanities Commission.

\$15,900 the first year and \$17,300 the second year is for the Minnesota International Center.

Any unencumbered balance remaining in (b) or (c) the first year does not cancel but is available for the second year of the biennium.

Sec. 15. BOARD OF THE ARTS 2,160,000 2,340,000
1982 1983

Approved Complement - 16 16
Federal 3 3

The amounts that may be expended from this appropriation for each program are as follows:

(a) Administrative Services
\$ 355,700 \$ 361,500

(b) Subsidies and Grants
\$ 1,804,300 \$ 1,978,500

\$70,200 the first year and \$85,700 the second year is for individual artist grants.

\$676,600 the first year and \$700,100 the second year is for the support of regional arts councils throughout the state.

The board of the arts shall prepare a report that includes, but is not necessarily limited to: (1) a documentation of the historical expenditures of state monies by regional arts councils in the areas of program grants, administrative costs,

	\$ 1982	\$ 1983
<p>and program services; (2) a documentation of the projected financial needs in the area of grants, administrative costs, and program services; (3) a set of specific alternatives on the amount of state money granted to regional arts councils that may be used for both general administrative costs and program service costs; and (4) a recommendation for the allocation of block grants to regional arts councils to insure an equitable distribution of money throughout the state. The report shall be submitted to the chairman of the senate finance committee and the chairman of the house appropriations committee by January 1, 1982, and the appropriations for the regional arts councils for fiscal year 1983 shall not be available for expenditure until the chairmen have made their recommendations on the report. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.</p> <p>Any unencumbered balance remaining in (a) or (b) the first year does not cancel but is available for the second year of the biennium.</p>		
Sec. 16. MINNESOTA HUMANE SOCIETY	50,000	
<p>No state money shall be expended for the care, feeding, housing, or disposal of animals.</p> <p>Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.</p>		
Sec. 17. COUNTY ATTORNEYS COUNCIL	121,800	
	1982	1983
Approved Complement -	4	4
General -	4	2
Special -	0	2
<p>No additional funding shall be available for the above program beyond June 30, 1983. Any unexpended balances remaining in the first year do not cancel but are available for the second year of the biennium.</p>		
Sec. 18. MINNESOTA HORTICULTURAL SOCIETY	71,800	77,500
Sec. 19. MINNESOTA ACADEMY OF SCIENCE	23,300	23,300
Sec. 20. SCIENCE MUSEUM OF MINNESOTA	200,000	200,000

	1982	1983
Sec. 21. MINNESOTA SAFETY COUNCIL	\$ 46,600	\$ 50,700
This appropriation is from the trunk highway fund.		
Sec. 22. DISABLED AMERICAN VETERANS	18,500	20,100
For salaries, supplies and expenses to be expended as provided by Laws 1941, Chapter 425.		
Sec. 23. VETERANS OF FOREIGN WARS	25,000	25,000
For carrying out the provisions of Laws 1945, Chapter 455.		

Sec. 24. Minnesota Statutes 1980, Section 12.14, is amended to read:

12.14 [ASSESSMENT FOR NUCLEAR SAFETY PREPAREDNESS ACT.]

Any person, firm, corporation or association in the business of owning or operating a nuclear fission electrical generating plant located in Minnesota, shall pay an assessment of \$250,000 per plant to cover the initial cost of upgrading nuclear power plant emergency response plans and other programs necessary to deal with incidents resulting from the operation of nuclear fission electrical generating plants. This assessment shall be paid to the state for deposit in the general fund within 90 days of April 25, 1980. Thereafter, an assessment of ~~\$50,000~~ \$75,000 per plant shall be paid annually on July 1 of each year, beginning with July 1, 1981, to cover ongoing costs related to the emergency response plan.

Sec. 25. Minnesota Statutes 1980, Section 15.0412, Subdivision 4, is amended to read:

Subd. 4. No rule, *other than a rule setting a fee covered by section 16A.128 or section 214.06*, shall be adopted by any agency unless the agency first holds a public hearing thereon, affording all affected interests an opportunity to participate. *Fee adjustments authorized under section 16A.128 or section 214.06 may be made by rule without a public hearing when the total fees received during the fiscal biennium will not exceed 110 percent of the sum of all direct appropriations, transfers in, and salary supplements for that purpose for the biennium.* Each agency shall maintain a list of all persons who have registered with the agency for the purpose of receiving notice of rule hearings. The agency may inquire as to whether those persons on the list wish to maintain their names thereon and may remove names for which there is a negative reply or no reply within 60 days. The agency shall, at least 30 days prior to the date set for the hearing, give notice of its intention to hold a hearing by United States mail to all persons on its list, and by publication in the state register. Each agency may, at its own discretion, also contact persons not on its list and may give notice of its intention to hold a hearing in newsletters, newspapers or other publications or through other means of communication. The notice in the state register shall include the full text of the rule proposed for adoption and, when amending existing rules, whatever portion of the existing rules is necessary to provide adequate notice of the nature of the proposed action. When an entire rule is proposed to be repealed, the agency need only publish that fact, giving the exact citation to the rule to be repealed in the notice.

Sec. 26. Minnesota Statutes 1980, Section 16A.128, is amended to read:

16A.128 [FEE ADJUSTMENTS.]

The fees fixed for the various accounts for which appropriations are made by law, shall be neither increased nor decreased except with the approval of the commissioner of finance. All ~~such~~ *these* fees shall be reviewed at least once each six months, and ~~such~~ adjustments shall be made to the end that the total fees received shall approximate the amount appropriated for the several ~~funds~~ *accounts, plus the portion of the general support costs and statewide indirect costs of the agency that is attributable to the function for which the fee is charged.* Fee adjustments authorized under this section may be made without a public hearing when the total fees *estimated to be received during the fiscal biennium* will not exceed ~~the amount of the direct appropriation~~ *110 percent of the sum of all direct appropriations, transfers in, and salary supplements for that purpose for the biennium.*

Sec. 27. Minnesota Statutes 1980, Section 37.17, is amended by adding a subdivision to read:

Subd. 3. [EXPANSION OF CERTAIN LICENSES.] The society shall permit the expansion of services by license holders for food services by allowing additional sites upon request of the contract holder, provided that:

(a) The request for additional sites, is made by a license holder of five years or more;

(b) No more than four sites are held by a single license holder at the time of the request; and

(c) The sites are physically available at the fairgrounds.

The society shall make every effort to make additional sites available and shall not unreasonably withhold the allocation of additional sites, to qualified license holders, or fail to renew contracts for established food concessionaries who have made every good faith effort to comply with state fair rules and regulations.

Sec. 28. Minnesota Statutes 1980, Section 43.491, Subdivision 2, is amended to read:

Subd. 2. The following persons enumerated in this subdivision though excluded by section 43.47 from coverage are nonetheless eligible for coverages at their own expense pursuant to the provisions of subdivision 1:

(1) A part time or seasonal employee of the state serving on less than a 75 percent time basis;

(2) An employee of the board of regents of the University of Minnesota on the academic staff serving on less than a 75 percent regular appointment;

(3) A part time or seasonal employee of the board of regents of the University of Minnesota and a member of the civil service staff under the civil service plan serving on less than a 75 percent time basis;

(4) An employee in the unclassified service of the state civil service who is employed by the state university board or the state board for community colleges as a member of the academic staff serving on less than a 75 percent time basis;

(5) An officer or employee of the state agricultural society, state horticultural society, Sibley house association, Minnesota humanities commission, Minnesota international center, Minnesota academy of science, science mu-

seum of Minnesota, Minnesota safety council, or Minnesota humane society, state office of disabled American veterans, or state office of veterans of foreign wars;

(6) A civilian employee of the adjutant general who is paid from federal funds and who is not eligible to benefits from any federal civilian employee group life insurance or health benefits program;

(7) An officer or employee of the state capitol credit union or the hiway credit union.

Sec. 29. Minnesota Statutes 1980, Section 46.131, Subdivision 3, is amended to read:

Subd. 3. A proportionate share of all annual office expenses of the commissioner of banks and the portion of the general support costs of the department of commerce and of the cost of services provided by the attorney general that is attributable to the commissioner of banks, as well as all actual expenses of the examiners in the field, excepting salaries, shall be allocated to each industry affected, and referred to in subdivision 4, as assessments and on the basis of the total time devoted to each.

Sec. 30. [138.94] [STATE HISTORICAL CENTER.]

The Historical building at 690 Cedar Street and the land housing the Mechanic Arts gymnasium, parking lot, and any other properties between those entities and the Historical building at 690 Cedar Street is hereby designated as the State Historical Center, and is to be used for such purposes notwithstanding any other law to the contrary. Authority for administration and control of the State Historical Center is conferred on the Minnesota historical society. As such, the society is exempt from rental or lease costs by the state. The state will maintain and provide custodial, security, and climate control services for the Historical Center.

Sec. 31. [155A.01] [POLICY.]

The legislature finds that the health and safety of the people of the state are served by the licensing of the practice of cosmetology because of the use of chemicals, apparatus, and other appliances requiring special skills and education.

To this end, the public will best be served by vesting these responsibilities in the director of the office of consumer services.

Sec. 32. [155A.02] [PROHIBITION; LIMITATION.]

It shall be unlawful for any person to engage in cosmetology, or to conduct or operate a cosmetology school or salon, except as hereinafter provided.

Sec. 33. [155A.03] [DEFINITIONS.]

Subdivision 1. [TERMS.] For purposes of sections 31 to 48, and unless the context clearly requires otherwise, the words defined in this section have the meanings given them.

Subd. 2. [COSMETOLOGY.] "Cosmetology" is the practice of personal services, for compensation, for the cosmetic care of the hair, nails, and skin. These services include cleaning, conditioning, shaping, reinforcing, coloring and enhancing the body surface in the areas of the head, scalp, face, arms,

hands, legs, and feet, except where these services are performed by a licensed barber under chapter 154.

Subd. 3. [COSMETOLOGIST.] A "cosmetologist" is any person who, for compensation, performs the personal services, as defined in subdivision 2.

Subd. 4. [ESTHETICIAN.] An "esthetician" is any person who, for compensation, performs personal services for the cosmetic care of the skin only.

Subd. 5. [MANICURIST.] A "manicurist" is any person who, for compensation, performs personal services for the cosmetic care of the hands, feet, and nails only.

Subd. 6. [MANAGER.] A "manager" is any person who conducts, operates, or manages a cosmetology school or salon and who also instructs in or provides any services, as defined in subdivision 2.

Subd. 7. [SALON.] A "salon" is an area, room, or rooms employed to offer personal services, as defined in subdivision 2. "Salon" does not include the home of a customer but the director may adopt health and sanitation rules governing practice in the homes of customers.

Subd. 8. [SCHOOL.] A "school" is a place where any person operates and maintains a class to teach cosmetology to the public for compensation. "School" does not include a place where the only teaching of cosmetology is done by a licensed cosmetologist as part of a community education program of less than ten hours duration, provided that the program does not permit practice on persons other than students in the program, and provided that the program is intended solely for the self-improvement of the students and not as preparation for professional practice.

Subd. 9. [INSTRUCTOR.] An "instructor" is any person employed by a school to prepare and present the theoretical and practical education of cosmetology to persons who seek to practice cosmetology.

Subd. 10. [DIRECTOR.] "Director" means the director of the office of consumer services.

Subd. 11. [COUNCIL.] The "council" is the Minnesota cosmetology advisory council, as defined in section 36.

Subd. 12. [PERSON.] The term "person" may extend and be applied to bodies politic and corporate, and to partnership and other unincorporated associations.

Sec. 34. [155A.04] [ADMINISTRATION.]

Subdivision 1. [DIRECTOR'S POWERS AND DUTIES; GENERALLY.] The director of the office of consumer services shall have the power and duties necessary for the administration of the provisions of this chapter.

Subd. 2. [HIRING AND ASSIGNMENT OF EMPLOYEES.] The director shall have the authority to hire in the classified service, or to assign to employees of the department of commerce, qualified personnel to assist in administering the law, including those for the testing and licensing of applicants and the continuing inspections required.

Sec. 35. [155A.05] [RULES.]

The director shall develop and adopt rules to carry out the provisions of

sections 31 to 48 by December 31, 1982, pursuant to chapter 15. For purposes of sections 31 to 48, the director may adopt temporary rules, pursuant to section 15.0412, subdivision 5. These rules may be reissued as temporary rules until permanent rules are adopted or until December 31, 1982, whichever is earlier. These temporary rules may provide that for any renewal license issued by the director within one year after the effective date of this section, the term of renewal shall be either one, two, or three years. The fee for a one-year renewal license shall be one-third of the fee for a three-year renewal license, and the fee for a two-year renewal shall be two-thirds of the three-year fee.

Sec. 36. [155A.06] [ADVISORY COUNCIL.]

Subdivision 1. [CREATION.] The Minnesota cosmetology advisory council is created, consisting of nine members, as follows: Three members representative of consumers; three cosmetologists or shop managers; two cosmetology school representatives, one representing public cosmetology schools and one representing private cosmetology schools; and one representative of manufacturers of cosmetology products. The chair shall be selected at the first meeting of each year by the council from among its members by majority vote and shall serve until a successor is elected.

Subd. 2. [APPOINTMENTS.] Appointments to the council shall be made by the governor in accordance with section 15.0597.

Subd. 3. [MEMBERSHIP TERMS.] Each member of the council shall be appointed for a four year term, except that in making the appointments for the first term the governor shall appoint members for one, two, three, or four year duration by September 1, 1981 so that appointments do not expire concurrently.

Subd. 4. [DUTIES.] The council shall meet at least annually, at the call of the director. The council shall advise the director of the availability of cosmetology services and their ethical and safe operation. The director shall consult with the council prior to the promulgation of any rules, adoption of testing instruments, criteria for inspections, and other matters as the director deems appropriate.

Subd. 5. [COMPENSATION.] Members of the council shall be compensated for expenses as provided in section 15.059.

Sec. 37. [155A.07] [PRACTITIONER.]

Subdivision 1. [LICENSING.] Individual licensing shall be required for persons seeking to practice in the state as a cosmetologist, esthetician, manicurist, manager, or instructor.

Subd. 2. [QUALIFICATIONS.] Qualifications for licensing in each classification shall be determined by the director in consultation with the council, established by rule, and shall include educational and experiential prerequisites. The rules shall require a demonstrated knowledge of procedures necessary to protect the health of the practitioner and the consumer of cosmetology services, including but not limited to chemical applications.

Subd. 3. [TESTING.] Appropriate standardized tests shall be used and shall include subject matter relative to the application of Minnesota law. In every case, the primary consideration shall be to safeguard the health and safety of consumers by determining the competency of the applicants to provide

the services indicated.

Subd. 4. [LICENSING WITHOUT TEST.] Licensing of persons without testing may be allowed as determined by rules.

Subd. 5. [DURATION OF LICENSE.] Licensing in each classification shall be for a period of three years.

Subd. 6. [RENEWALS.] Renewal of license shall be for a period of three years under conditions and process established by rule.

Subd. 7. [FEES.] Examination and licensing fees shall be established and adjusted, by rule, so that the total amount of fee income at least meets the anticipated costs, as provided in section 214.06.

Subd. 8. [EXEMPTIONS.] Persons licensed to provide cosmetology services in other states visiting this state for cosmetology demonstrations shall be exempted from the licensing provisions of sections 31 to 48 provided that services to consumers are in the physical presence of a licensed cosmetologist.

Sec. 38. [155A.08] [SALONS.]

Subdivision 1. [LICENSING.] Any person who offers cosmetology services for compensation in this state shall be licensed as a salon if not employed by another licensed salon.

Subd. 2. [REQUIREMENTS.] The conditions and process by which a salon is licensed shall be established by the director by rule after consultation with the council. The rule shall include the following requirements:

(a) Compliance with all local and state laws, particularly relating to matters of sanitation, health, and safety;

(b) The employment of a manager, as defined in section 33, subdivision 6;

(c) Inspection and licensing prior to the commencing of business; and

(d) Evidence of professional liability insurance coverage in an amount by claim and total coverage as established by rule. The rule shall authorize a licensed manicurist who complies with the health, safety, sanitation, inspection, and insurance rules promulgated by the director to operate a salon solely for the performance of those personal services defined in section 33, subdivision 5.

Subd. 3. [HEALTH AND SANITARY STANDARDS.] Minimum health and sanitary standards for the operation of a salon shall be established by rule. A salon shall not be located in a room used for residential purposes. If a salon is in the residence of a person practicing cosmetology, the rooms used for the practice of cosmetology shall be completely partitioned off from the living quarters. There shall be an inspection at least annually to affirm compliance.

Subd. 4. [RENEWAL.] Licenses shall be renewed every three years by a process established by rule.

Subd. 5. [FEES.] Licensing and inspection fees shall be established and adjusted, by rule, so that the total amount of fee income at least meets the anticipated costs, as provided in section 214.06.

Sec. 39. [155A.09] [SCHOOLS.]

Subdivision 1. [LICENSING.] Any person who establishes or conducts a

school in this state shall be licensed.

Subd. 2. [STANDARDS.] The director, after consultation with the council, shall by rule establish minimum standards of course content and length specific to the educational preparation prerequisite to testing and licensing as cosmetologist, esthetician, and manicurist.

Subd. 3. [APPLICATIONS.] Application for a license shall be prepared on forms furnished by the director and shall contain the following and such other information as may be required:

(a) The name of the school, together with ownership and controlling officers, members, managing employees and director;

(b) The specific fields of instruction which will be offered and reconciliation of the course content and length to meet the minimum standards, as prescribed in subdivision 2;

(c) The place or places where instruction will be given;

(d) A listing of the equipment available for instruction in each course offered;

(e) The maximum enrollment to be accommodated;

(f) A listing of instructors, all of whom shall be licensed as provided in section 37, subdivision 2, except that any school may use occasional instructors or lecturers who would add to the general or specialized knowledge of the students but who need not be licensed;

(g) A current balance sheet, income statement or documentation to show sufficient financial worth and responsibility to properly conduct a school and to assure financial resources ample to meet the school's financial obligations;

(h) Other financial guarantees which would assure protection of the public as determined by rule; and

(i) A copy of all written material which the school uses to solicit prospective students, including but not limited to a tuition and fee schedule, and all catalogues, brochures and other recruitment advertisements. Each school shall annually, on a date determined by the director, file with the director any new or amended materials which it has distributed during the past year.

Subd. 4. [VERIFICATION OF APPLICATION.] Each application shall be signed and certified to under oath by the proprietor if the applicant is a proprietorship, by the managing partner if the applicant is a partnership, or by the authorized officers of the applicant if the applicant is a corporation, association, company, firm, society or trust.

Subd. 5. [CONDITIONS PRECEDENT TO ISSUANCE.] No license shall be issued unless the director first determines:

(a) That the applicant has a sound financial condition with sufficient resources available to meet the school's financial obligations; to refund all tuition and other charges, within a reasonable period of time, in the event of dissolution of the school or in the event of any justifiable claims for refund against the school; to provide adequate service to its students and prospective students; and for the proper use and support of the school to be maintained;

(b) That the applicant has satisfactory training facilities with sufficient tools

and equipment and the necessary number of work stations to adequately train the students currently enrolled, and those proposed to be enrolled;

(c) That the applicant employs a sufficient number of qualified instructors trained by experience and education to give the training contemplated;

(d) That the premises and conditions under which the students work and study are sanitary, healthful, and safe according to modern standards;

(e) That each occupational course or program of instruction or study shall be of such quality and content as to provide education and training which will adequately prepare enrolled students for testing, licensing, and entry level positions as a cosmetologist, esthetician, or manicurist; and

(f) Evidence of professional liability insurance coverage in an amount by claim and total coverage as established by rule.

Subd. 6. [FEES; RENEWALS.] (a) Applications for initial license under this chapter shall be accompanied by a nonrefundable application fee established by rule.

(b) License duration shall be three years. Each renewal application shall be accompanied by a nonrefundable renewal fee established by rule.

(c) Application for renewal of license shall be made as stipulated in rules promulgated by the director and on forms supplied by the director.

Subd. 7. [INSPECTIONS.] All schools shall be inspected at least once a year. The director shall have the authority to assess the cost of the inspection to the school.

Subd. 8. [LIST OF LICENSED SCHOOLS; AVAILABILITY.] The director shall maintain and make available to the public a list of licensed schools.

Subd. 9. [SEPARATION OF SCHOOL AND PROFESSIONAL DEPARTMENTS.] A school shall display in the entrance reception room of its student section a sign prominently and conspicuously indicating that all work therein is done exclusively by students. Professional departments of a school shall be run as entirely separate and distinct businesses and shall have separate entrances.

Nothing contained in sections 31 to 48 shall prevent a school from charging for student work done in the school to cover the cost of materials used and expenses incurred in and for the operation of the school. All of the student work shall be prominently and conspicuously advertised and held forth as being student work and not otherwise.

Subd. 10. [DISCRIMINATION PROHIBITED.] No school, duly approved under this chapter, shall refuse to teach any student, otherwise qualified, on account of race, sex, creed, color, citizenship, national origin, or sexual preference.

Sec. 40. [155A.10] [DISPLAY OF LICENSE.]

(a) Every holder of a license granted by the director, shall display it in a conspicuous place in the place of business.

(b) Notwithstanding the provisions of paragraph (a), nothing contained in sections 31 to 48 shall be construed to prohibit a person licensed to provide

cosmetology services from engaging in any practices defined in sections 31 to 48 in the homes of customers or patrons, under the sanitary and health rules promulgated by the director.

Sec. 41. [155A.11] [REVOCAION OF LICENSE.]

Subdivision 1. [GROUNDS.] The director may, after notice and opportunity for a hearing pursuant to chapter 15, refuse to renew, or revoke or suspend any license for any one, or combination of, the following grounds:

(a) Violation of any provision of sections 31 to 48 or any other statute or rule promulgated or enforced by the director;

(b) Intentionally furnishing false, misleading, or incomplete information;

(c) Refusal to allow reasonable inspection or supply reasonable information after a written request by the director or his designee;

(d) The existence of any circumstance which would be grounds for the refusal of an initial or renewal license.

Subd. 2. [APPEAL FROM ORDER.] Any order refusing, revoking, or suspending a license is appealable to the district court where the licensee conducts business as provided in chapter 15. If a person has been operating and the person's license has been revoked, suspended, or refused by the director, the order is not effective until final determination of the appeal unless the court orders it to take effect immediately.

Sec. 42. [155A.12] [COMPLAINTS; INVESTIGATIONS AND HEARINGS.]

Subdivision 1. [NOTICE TO ATTORNEY GENERAL.] The director or person employed by him who receives a complaint or other communication, whether oral or written, alleging or implying a violation of a statute or rule which the director is empowered to enforce, which cannot be conciliated or resolved by the director or his designee shall promptly forward the substance of the communication on a form prepared by the attorney general to the designee of the attorney general responsible for providing legal services to the director. Before proceeding further with the communication, the director or designee of the attorney general may require the complaining party to state his complaint in writing on a form prepared by the attorney general. Complaints which relate to matters within the jurisdiction of another governmental agency shall be forwarded to that agency by the director. An officer of that agency shall advise the director of the disposition of that complaint. A complaint received by another agency which relates to a statute or rule which the director is empowered to enforce shall be forwarded to the director to be processed in accordance with this section.

Subd. 2. [INVESTIGATIONS BY ATTORNEY GENERAL.] The designee of the attorney general providing legal services to the director shall evaluate the communications forwarded to him by the director. If the communication alleges a violation of statute or rule which the director is to enforce, the designee is empowered to investigate the facts alleged in the communication. In the process of evaluation and investigation, he shall consult with or seek the assistance of the director. He may also consult with or seek the assistance of any other qualified person who the designee believes will materially aid in the process of evaluation or investigation. The director may attempt to correct

improper activities and redress grievances through education, conference, conciliation and persuasion, and in these attempts he may be assisted by the designee of the attorney general. If the attempts at correction or redress do not produce satisfactory results in the opinion of the director, or if after investigation the designee providing legal services to the director believes that the communication and the investigation suggest illegal or unauthorized activities warranting action, he shall inform the director who shall schedule a disciplinary hearing in accordance with chapter 15. Before scheduling a disciplinary hearing, the basis for the hearing must be stated in writing. The director shall promptly inform the complaining party, if any, of the final disposition of the complaint. Nothing in this section shall preclude the director from scheduling a disciplinary hearing based upon the findings or report of the director's staff or the attorney general.

Subd. 3. [ISSUANCE OF COMPULSORY PROCESS.] In all matters pending before him relating to his lawful regulation activities, the director may issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documents, and other evidentiary material. Any person failing or refusing to either appear to testify regarding any matter about which he may be lawfully questioned, or produce any papers, books, records, documents, or other evidentiary materials in the matter to be heard, after having been required by the order of the director or by subpoena of the director to do so may, upon application to the district court where the licensee conducts business, be ordered to comply therewith. The director may issue subpoenas and may administer oaths to witnesses, or take their affirmation. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person named therein, anywhere within the state by any officer authorized to serve subpoenas or other process or paper in civil actions, with the same fees and mileage and in the same manner as prescribed by law for service of process issued out of the district court of this state. Fees and mileage and other expenses shall be paid as the director directs.

Sec. 43. [155A.13] [ADDITIONAL REMEDY.]

In addition to any other remedy provided by law, the director may in his own name bring an action in the district court where the licensee conducts business for injunctive relief to restrain any unauthorized practice or violation or threatened violation of any statute or rule which the director is empowered to regulate or enforce. A temporary restraining order may be granted in the proceeding if continued activity by a person would create an imminent risk of harm to others. Injunctive relief granted pursuant to this section shall not relieve the person from disciplinary action by the director in respect to the person's license or application for license or renewal.

Sec. 44. [155A.14] [SERVICES EXCEPTED; EMERGENCY.]

Nothing in sections 31 to 48 shall prohibit services in cases of emergency where compensation or other reward is not received, nor in domestic service, nor in the practice of medicine, surgery, dentistry, podiatry, osteopathy, chiropractic, or barbering. This section shall not be construed to authorize any of the persons so exempted to wave the hair, or to color, tint, or bleach the hair, in any manner.

Sec. 45. [155A.15] [APPOINTMENT OF AGENT FOR SERVICE OF PROCESS.]

Any person, firm, partnership, or corporation, not a resident of Minnesota, who engages in Minnesota in the practices regulated in sections 31 to 48 shall file with the director the name and address of a duly authorized agent for service of legal process, which agent for service shall be a resident of the state of Minnesota.

Sec. 46. [155A.16] [VIOLATIONS; PENALTIES.]

Any person who violates any of the provisions of sections 31 to 48 shall be guilty of a misdemeanor and upon conviction may be sentenced to imprisonment for not more than 90 days or fined not more than \$500, or both, per violation.

Sec. 47. [155A.17] [TRANSFER OF POWERS.]

Subdivision 1. [AUTHORIZATION.] The director, as successor to the board of cosmetology examiners, shall be deemed to be a continuation of the former authority and not a new authority for the purpose of succession to all the rights, powers, duties and obligations of the board of cosmetology examiners as they were constituted immediately prior to the effective date of sections 31 to 48.

Subd. 2. [EFFECT OF RULES TRANSFERRED.] All rules heretofore promulgated under the authority of a power, duty, or responsibility transferred by sections 31 to 48 to the director shall remain in full force until modified or repealed in accordance with law by the director.

Subd. 3. [EFFECT OF PENDING PROCEEDINGS.] Any proceeding, court action, prosecution, or other business or matter which is pending on the effective date of sections 31 to 48 and which was undertaken or commenced by the board of cosmetology examiners under the authority of any power, duty, or responsibility which is transferred by sections 31 to 48 to the director may be conducted and completed by the director in the same manner, under the same terms and conditions, and with the same effect as though no transfer was made.

Subd. 4. [TRANSFER OF CUSTODY OF DOCUMENTS.] Every individual responsible under law for administration of any function transferred by sections 31 to 48 to the director shall, upon request by the director or by any of his designated employees, transfer custody of all books, maps, plans, papers, records, contracts, and other documents relating to the transferred function and necessary or convenient for the proper discharge of the director's new duties. The transfer shall be made in accordance with the directions of the director or his designated employee.

Subd. 5. [APPROPRIATIONS.] All unexpended and unencumbered funds appropriated to the board of cosmetology examiners for the purpose of performing any of the functions, powers, or duties which are transferred by sections 31 to 48 to the director are hereby transferred to the director. If any unexpended appropriation must be allocated between the director and any other individual, office, division, agency, or department to accurately reflect the division of responsibilities between those individuals, divisions, agencies, or departments and the director after the effective date of sections 31 to 48, the commissioner of administration shall allocate the unexpended appropriation

as he deems appropriate.

Subd. 6. [TRANSFER OF POSITIONS.] *Prior to the effective date of sections 31 to 48, the director has the authority to identify which board of cosmetology positions are required to carry out the provisions of sections 31 to 48. The incumbents of those positions in the classified service which the director determines are needed to carry out sections 31 to 48 are transferred to the employment of the director. The positions of all persons who are employed in the unclassified service by the board of cosmetology examiners to perform any of the functions, powers, or duties which are transferred by sections 31 to 48 to the director are abolished. Nothing in this subdivision shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.*

Sec. 48. [155A.18] [PRIOR LICENSES.]

All licenses which were issued by the board of cosmetology under chapter 155, shall continue in effect under the office of consumer services until the licenses expire.

Sec. 49. Minnesota Statutes 1980, Section 161.125, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of transportation shall, in accordance with the department's program, implement sound abatement measures within or along the perimeter of any interstate or trunk highway within incorporated areas located within the metropolitan area or 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 federal matching funds available for constructing and maintaining sound abatement measures. *No standard adopted by any state agency for limiting levels of noise in terms of sound pressure in the outdoor atmosphere shall apply to any interstate highway.*

Sec. 50. Minnesota Statutes 1980, Section 161.242, Subdivision 4, is amended to read:

Subd. 4. [AUTHORITY.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. The commissioner shall not be required to expend any funds for such purposes unless federal moneys are available to the state and have money to acquire rights or interests in junk yards under this section, except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has

been appropriated by Congress for junk yards described in Title 23, United States Code, Section 136(j) and the federal share has been made available to the commissioner. All costs described herein shall be necessary for a highway purpose.

Sec. 51. Minnesota Statutes 1980, Section 168.013, Subdivision 1c, is amended to read:

Subd. 1c. [FARM TRUCKS.] On farm trucks, the tax shall be based on total gross weight and shall be 30 percent of the Minnesota base rate prescribed by subdivision 1e under Schedule I during each of the first six years of vehicle life, but in no event less than \$19, and during the seventh and succeeding years of vehicle life as taken from Schedule II, but in no event less than \$11. In addition to such the gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Sec. 52. Minnesota Statutes 1980, Section 162.09, Subdivision 4, is amended to read:

Subd. 4. [FEDERAL CENSUS TO BE CONCLUSIVE.] In determining whether any city has a population of 5,000 or more, the last federal census shall be conclusive provided that any city having been classified as having a population of 5,000 or more for the purposes of chapter 162 shall not be reclassified unless the city's population decreases by 15 percent from the census figure which last qualified the city for inclusion. A city not reclassified under the provisions of this section shall receive the following percentages of its 1981 apportionment for the years indicated: 1982, 66 percent and 1983, 33 percent. Thereafter the city shall not receive any apportionment from the municipal state-aid street fund unless its population is determined to be 5,000 or over by a federal census. The governing body of any city not reclassified under the provisions of this section may contract with the United States bureau of the census to take one special census before January 1, 1986. A certified copy of the results of the census shall be filed with the appropriate state authorities by the city. The result of the census shall be the population of the city for the purposes of any law providing that population is a required qualification for distribution of highway aids under chapter 162. The special census shall remain in effect until the 1990 federal census is completed and filed. The expense of taking the special census shall be paid by the city. Provided further, that if an entire area not heretofore incorporated as a city is incorporated as such during the interval between federal censuses, its population shall be determined by its incorporation census. The incorporation census shall be determinative of the population of the city only until the next federal census.

Sec. 53. Minnesota Statutes 1980, Section 168.013, Subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On all trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on all truck-tractor and semi-trailer combinations except those defined as farm combinations and urban combinations, the tax based on total gross weight during the first six years of vehicle life shall be graduated according to Schedule I of the Minnesota base rate prescribed in this subdivision, but in no event less than \$28, and during the seventh and succeeding years of vehicle life the tax shall be graduated according to Schedule II of this

subdivision, but in no event less than \$17.

MINNESOTA BASE RATE

Scheduled taxes include five percent
surtax provided for in subdivision 14

	TOTAL GROSS WEIGHT IN POUNDS	SCHEDULE I	SCHEDULE II
		Tax	Tax
A	0 - 1,500	\$ 5.00	\$
B	1,501 - 3,000	9.00
C	3,001 - 4,500	14.00	8.00
D	4,501 - 6,000	19.00	11.00
E	6,001 - 9,000	28.00	17.00
F	9,001 - 12,000	39.00	23.00
G	12,001 - 15,000	62.00	37.00
H	15,001 - 18,000	86.00	52.00
I	18,001 - 21,000	114.00	68.00
J	21,001 - 27,000	158.00	95.00
K	27,001 - 33,000	230.00	138.00
L	33,001 - 39,000	320.00	192.00
M	39,001 - 45,000	420.00	252.00
N	45,001 - 51,000	540.00	324.00
O	51,001 - 57,000	690.00	414.00
P	57,001 - 63,000	830.00	498.00
Q	63,001 - 69,000	970.00	582.00
R	69,001 - 73,280	1,050.00	630.00
S	73,281 - 77,000	1,155.00	693.00
T	77,001 - 81,000	1,260.00	746.00

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$36 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to provisions of subdivision 12.

Provided however, that on all trucks, except those in this chapter defined as farm trucks and urban trucks, having a gross weight in excess of 18,000 pounds but less than 27,001 pounds, the tax shall be:

(a) For the registration year 1976, 70 percent of the applicable Schedule I or Schedule II of this subdivision;

(b) For the registration year 1977, 80 percent of the applicable Schedule I or Schedule II of this subdivision;

(c) For the registration year 1978, 90 percent of the applicable Schedule I or Schedule II of this subdivision;

(d) For the registration year 1979 and thereafter, 100 percent of the applicable Schedule I or Schedule II of this subdivision.

On vehicles having a gross weight in excess of 27,000 pounds, and used for the transportation of livestock or unprocessed and raw farm products shall be taxed at 90 percent of the Minnesota base rate prescribed by this subdivision under Schedule I during each of the first six years of vehicle life and during the seventh and succeeding years of vehicle life as taken from Schedule II, pro-

vided the gross receipts derived from ~~such~~ use equal or exceed 60 percent of the owner's total gross receipts from the operation of ~~such the~~ vehicle during the 12 month period immediately preceding the date set by law for the reregistration of ~~such the~~ vehicle. The owner shall furnish ~~such~~ information as the commissioner of public safety may require, including sworn statements of fact, and the commissioner of public safety shall thereupon determine whether ~~such the~~ owner comes within the provisions of this paragraph.

If an owner has not used ~~such a~~ vehicle for the transportation of livestock or unprocessed and raw farm products so as to be able to report gross receipts for the 12 month period as herein set forth, ~~he the owner~~ may, nevertheless, apply for registration hereunder and pay the reduced tax and the commissioner of public safety shall, after consideration of the established facts, determine whether ~~such the~~ owner is entitled to have ~~such the~~ registration approved.

If an owner fails to operate under the conditions and limitations herein set forth, ~~he the owner~~ shall immediately notify the commissioner of public safety of ~~such the~~ fact and pay the difference between the scheduled gross weight tax and the reduced tax proportionate to the number of months remaining in the year, 1/12 of the difference for each month or fraction thereof, beginning with the month in which ~~such the~~ operations were discontinued or changed.

If an owner first uses ~~such a~~ vehicle for the transportation of livestock and unprocessed and raw farm products after the tax becomes due without reduction, no adjustment of refund of tax shall be made during that calendar year for reasons of transporting livestock and unprocessed and raw farm products.

All truck-tractors except those ~~herein~~ defined as farm and urban truck-tractors shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of ~~such the~~ truck-tractor and any semi-trailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to ~~such a~~ gross weight tax imposed on the truck-tractor, each semi-trailer shall be taxed a fee of \$10 for a one year period ~~or \$50 for a five year period whichever the applicant elects.~~

Urban Commercial zone trucks include only all trucks and all truck-tractors and semi-trailers used exclusively in transporting property within the metropolitan area consisting of Hennepin, Ramsey, Scott, Dakota, Anoka, Washington and Carver counties, or within the corporate limits of any city or contiguous cities or within one mile of cities of the first and second class. For the purposes of this clause a land area ceded to the United States of America under General Laws 1889, Chapter 57, is a statutory city. The vehicle shall not be operated outside the metropolitan area or corporate limits of such city or contiguous cities, or beyond one mile of cities of the first and second class; except that the commissioner of public safety may, by special permit, authorize the permanent removal of such vehicle from any registration area to another. The license plates issued therefor shall be plainly marked. On urban trucks and combinations the tax shall be based on total gross weight and shall be 30 percent of the Minnesota base rate prescribed in this subdivision under Schedule I during each of the first six years of vehicle life, but in no event less than \$19, and during the seventh and succeeding years of vehicle life as taken from Schedule II, but in no event less than \$11. In addition to such gross weight tax imposed on the truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Provided that on vehicles used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consist of at least 60 percent obtained solely from local cartage carriage, shall be taxed at 90 percent of the prescribed urban truck and combination rates for the life of the vehicle during each year such vehicle is used, provided that the gross revenues obtained from transportation services is obtained from local cartage carriage is at least 60 percent of all revenue obtained from transportation services by said person; and provided further, that said tax shall in no event be less than \$10. and semi-trailers which are:

(1) used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within the area defined in section 221.296, subdivision 1; or,

(2) operated by an interstate carrier registered pursuant to section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority pursuant to chapter 221, and operated solely within a zone exempt from regulation by the Interstate Commerce Commission pursuant to 49 U.S.C. 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. Any person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as provided in this subdivision.

During the ninth and succeeding years the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 54. Minnesota Statutes 1980, Section 168.013, is amended by adding a subdivision to read:

Subd. 1i. [URBAN TRUCKS.] On all vehicles registered as urban trucks for the registration year 1981, or any part thereof, and which are not registered as commercial zone trucks for the registration year 1982 and succeeding

years, the tax shall be:

(a) for the registration year 1982, 50 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 67 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 84 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Beginning with the registration year 1985, the registrar shall not issue urban license plates.

Sec. 55. Minnesota Statutes 1980, Section 168.12, Subdivision 1, is amended to read:

Subdivision 1. [NUMBER PLATES; VISIBILITY, PERIODS OF ISSUANCE.] The registrar, upon the approval and payment, shall issue to the applicant the number plates required by law, bearing an abbreviation of the state name and the number assigned. The number assigned may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned shall be in marked contrast. The plates shall be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the registrar, and when a vehicle is registered on the basis of total gross weight, the plates issued shall clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid. These number plates shall be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, these number plates, when viewed from a vehicle equipped with standard headlights, shall be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet. The registrar shall issue these number plates for the following periods:

(1) Number plates issued pursuant to sections 168.27, subdivisions 16 and 17, and 168.053 shall be for a one year period;

(2) New number plates issued pursuant to section 168.012, subdivision 1, shall be issued to a vehicle for as long as it is owned by the exempt agency and shall not be transferable from one vehicle to another but may be transferred with the vehicle from one tax exempt agency to another; and

(3) Plates issued for passenger automobiles as defined in section 168.011, subdivision 7, shall be issued for the life of the vehicle; and

(4) Plates for any vehicle not specified in clauses (1) and (2), (2) and (3), except for trailers as hereafter provided, shall be issued for a five year period the life of the vehicle. Beginning with number plates issued for the year 1981, plates issued for trailers with a total gross weight of 3,000 pounds or less shall be issued for a four year period the life of the trailer and shall be not more than seven inches in length and four inches in width.

In any year during which these number plates are not issued The registrar shall issue for each registration a reflectorized year plate, tab, or sticker to

designate the year of registration. This ~~plate, tab, or sticker~~ shall show the calendar year or years for which issued, and is valid only for that period. Unless the motor vehicle for which a number plate, number, tab, or sticker is issued, is permanently lost, is destroyed, or is removed from the state, no number plate, number, tab, or sticker may be transferred to another motor vehicle during the period for which it is issued.

Notwithstanding any other provision of this subdivision, number plates issued to a vehicle which is used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The registrar shall be notified of each transfer of number plates under this paragraph, and may prescribe a form for ~~such~~ notification.

Sec. 56. Minnesota Statutes 1980, Section 168.12, Subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates shall be issued to any applicant for registration of a passenger automobile, station wagon, van or pickup truck with a gross weight of 9,000 pounds or less, or self-propelled recreational vehicle, upon compliance with all laws of this state relating to registration of the vehicle, and upon payment of a fee of \$50 in addition to the registration tax required by law for the vehicle. In lieu of the numbers assigned as provided in subdivision 1, ~~such~~ personalized license plates shall have imprinted thereon a series of not to exceed any combination of six numbers and letters. When an applicant has once obtained personalized plates, ~~he~~ *the applicant* shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if ~~he~~ *makes* ~~application is made~~ for them at least 30 days prior to the first date on which ~~his~~ registration can be renewed. The commissioner of public safety shall adopt rules and regulations in the manner provided by chapter 15, regulating the issuance and transfer of ~~such~~ personalized license plates. No words or combination of letters placed on ~~such~~ personalized license plates may be used for commercial advertising or be of an obscene, indecent or immoral nature, or ~~such as that~~ would offend public morals or decency. The call signals or letters of a radio or television station shall not be construed as commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by regulation provide a form for ~~such~~ notification.

The fee prescribed for personalized license plates shall be paid only in those years in which the number plate itself is issued, and shall not be payable in any year in which a year plate, tab or sticker is issued in lieu of a number plate.

All fees from the sale of personalized license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 57. Minnesota Statutes 1980, Section 168.27, Subdivision 16, is amended to read:

Subd. 16. [PLATES, DISTINGUISHING NUMBERS.] (a) The registrar shall issue to every motor vehicle dealer, upon a request from ~~such~~ *the* motor

vehicle dealer licensed as provided in subdivisions 2 or 3, one or more ~~pair of number~~ plates displaying a general distinguishing number upon the payment of \$10 to the registrar. In addition the dealer shall pay a motor vehicle excise tax of \$15 annually for each ~~pair of dealer plates~~ ~~plate~~ purchased as required by section 297B.035. The registrar shall deposit the tax in the state treasury and it shall be credited to the general fund. Motor vehicles, new or used, owned by ~~such~~ the motor vehicle dealer and bearing ~~such the~~ number ~~plates~~ ~~plate~~, except vehicles leased to the user who is not an employee of the dealer during the term of the lease, held for hire, or customarily used by the dealer as a tow truck, service truck, or parts pickup truck, may be driven upon the streets and highways of this state by ~~such the~~ motor vehicle dealer, or any employee of ~~such the~~ motor vehicle dealer or by any member of the immediate family of ~~such the~~ dealer or employee for either private or business purposes; or may be driven upon the streets and highways for demonstration purposes by any prospective buyer thereof for a period of 48 hours or in the case of a truck, truck-tractor, or semi-trailer, for a period of seven days.

(b) A new or used motor vehicle sold by ~~such the~~ motor vehicle dealer and bearing the motor vehicle dealer's number ~~plates~~ ~~plate~~ may be driven upon the public streets and highways for a period of 72 hours by the buyer for either of the following purposes: (1) Removing the vehicle from this state for registration in another state, or (2) permitting the buyer to use the motor vehicle before ~~he the~~ buyer receives number plates pursuant to ~~his own~~ registration. Use of a motor vehicle by the buyer under the provisions of clause (2) of the preceding sentence before ~~he the~~ buyer receives number plates pursuant to ~~his own~~ registration constitutes a use of the public streets or highways for the purpose of the time requirements for registration of motor vehicles.

Sec. 58. Minnesota Statutes 1980, Section 168.27, Subdivision 17, is amended to read:

Subd. 17. [APPLICATION.] Every licensed dealer in motor vehicles may make application upon a blank provided by the registrar for that purpose for a general distinguishing number for use upon all new or used motor vehicles being transported from the dealer's source of supply, or other place of storage, to ~~his the dealer's~~ place of business, or to another place of storage, or from one dealer to another. A general distinguishing number shall be assigned by the registrar to ~~such the~~ dealer for ~~such that~~ purpose, and the registrar shall then issue to the dealer ~~such the~~ number of ~~pairs of such~~ plates as the dealer may request, upon the payment by the dealer to the registrar of the sum of \$2 per ~~pair~~ ~~plate~~. ~~Such~~ The plates shall be known as "in transit" plates. The registrar may issue ~~such~~ "in transit" plates, upon the payment of the sum of \$2 to the registrar, to dealers duly licensed in other states or provinces upon information furnished ~~him~~ in ~~such the~~ manner as ~~he the~~ registrar may prescribe, and which satisfies ~~him the~~ registrar that persons or companies applying therefor are duly licensed dealers under the laws of ~~such the~~ states or provinces.

Sec. 59. Minnesota Statutes 1980, Section 168.33, Subdivision 7, is amended to read:

Subd. 7. [FEES.] In addition to all other statutory fees and taxes, a filing fee is imposed on every application. The filing fee shall be ~~\$1.50~~ \$2.50 effective August 1, ~~1977~~ 1981, and ~~\$1.75~~ \$3.25 effective January 1, ~~1979~~ 1983. The filing fee shall be shown as a separate item on all registration renewal notices

sent out by the department of public safety.

Sec. 60. Minnesota Statutes 1980, Section 169.09, Subdivision 7, is amended to read:

Subd. 7. [ACCIDENT REPORT TO COMMISSIONER.] The driver of a vehicle involved in an accident resulting in injury to or death of any person or total property damage to an apparent extent of ~~\$300~~ \$500 or more, shall forward a written report of the accident to the commissioner of public safety within ten days thereof. If, in the opinion of the commissioner of public safety, the original report of any driver of a vehicle involved in an accident of which report must be made as provided in this section is insufficient he may require the driver to file supplementary reports.

Sec. 61. Minnesota Statutes 1980, Section 169.451, is amended to read:

169.451 [SCHOOL BUS INSPECTION.]

Subdivision 1. The Minnesota highway patrol shall inspect every school bus at least ~~semiannually~~ annually to ascertain whether its construction, design, equipment, and color comply with all provisions of law.

Subd. 2. No person shall drive, or no owner shall knowingly permit or cause to be driven, any school bus unless there is displayed thereon a certificate issued by the commissioner of public safety stating that on a certain date, which shall be within ~~seven~~ 13 months of the date of operation, a member of the Minnesota highway patrol inspected the bus and found that on the date of inspection the bus complied with the applicable provisions of state law relating to construction, design, equipment, and color. The commissioner of public safety shall provide by rule or regulation for the issuance and display of distinctive inspection certificates.

Subd. 3. Not later than January 1, 1975 the commissioner of public safety shall provide by rule and regulation a point system for evaluating the effect on safety operation of any variance from law detected during school bus inspections conducted pursuant to subdivision 1.

Sec. 62. Minnesota Statutes 1980, Section 169.79, is amended to read:

169.79 [VEHICLE REGISTRATION.]

No person shall operate, drive or park a motor vehicle on any highway unless the vehicle is registered in accordance with the laws of this state and has the number plates for the current year only, as assigned to it by the commissioner of public safety, conspicuously displayed thereon in a manner that the view of any plate is not obstructed. If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer, or semitrailer, or vehicle displaying a dealer plate, one such plate shall be displayed on the rear thereof; if the vehicle is a truck-tractor or road-tractor, one such plate shall be displayed on the front thereof; if it is any other kind of motor vehicle, one such plate shall be displayed on the front and one on the rear thereof. All plates shall be securely fastened so as to prevent them from swinging. The person driving the motor vehicle shall keep the plate legible and unobstructed and free from grease, dust, or other blurring material so that the lettering shall be plainly visible at all times.

Sec. 63. Minnesota Statutes 1980, Section 169.974, Subdivision 2, is

amended to read:

Subd. 2. [LICENSE REQUIREMENTS.] No person shall operate a motorcycle on any street or highway unless he has a valid standard driver's license with a two-wheeled vehicle endorsement as provided by law. No such two-wheeled vehicle endorsement shall be issued unless the person applying therefor has in possession a valid two-wheeled vehicle instruction permit as provided herein, has passed a written examination and road test administered by the department of public safety for such endorsement, and, in the case of applicants under 18 years of age, shall present a certificate or other evidence of having successfully completed an approved two-wheeled vehicle driver's safety course in this or another state, in accordance with such regulations as the commissioner of public safety shall promulgate. *The commissioner may waive the road test for any applicant if he determines that the applicant possesses a valid license to operate a two-wheeled vehicle issued by a jurisdiction that requires a comparable road test for license issuance.* A two-wheeled vehicle instruction permit shall be issued to any person over 16 years of age, who is in possession of a valid driver's license, who is enrolled in an approved two-wheeled vehicle driver's safety course, and who has passed a written examination for such permit and has paid such fee as the commissioner of public safety shall prescribe. A two-wheeled vehicle instruction permit shall be effective for 45 days, and may be renewed under rules to be prescribed by the commissioner of public safety.

No person who is operating by virtue of a two-wheeled vehicle instruction permit shall:

(a) Carry any passengers on the streets and highways of this state on the motorcycle which he is operating;

(b) Drive the motorcycle at night time;

(c) Drive the motorcycle on any highway marked by the commissioner as an interstate highway pursuant to Title 23 of the United States Code.

(d) Drive the motorcycle without wearing protective headgear of a type approved by the commissioner of public safety.

Notwithstanding the provisions of this subdivision, the commissioner of public safety may, however, issue a special motorcycle permit, restricted or qualified in such manner as he shall deem proper, to any person demonstrating a need therefor and unable to qualify for a standard driver's license.

Sec. 64. Minnesota Statutes 1980, Section 171.13, is amended by adding a subdivision to read:

Subd. 1a. The commissioner may waive the requirement that the applicant demonstrate his ability to exercise ordinary and reasonable control in the operation of a motor vehicle if he determines that the applicant possesses a valid driver's license issued by a jurisdiction that requires a comparable demonstration for license issuance.

Sec. 65. Minnesota Statutes 1980, Section 171.36, is amended to read:

171.36 [LICENSE RENEWAL AND FEES.]

All licenses shall expire one year from date of issuance and may be renewed upon application to the commissioner. Each application for an original or

renewal school license shall be accompanied by a fee of \$75 \$150 and each application for an original or renewal instructor's license shall be accompanied by a fee of \$20 \$50. The license fees collected under this article shall be paid into the trunk highway fund. No license fee shall be refunded in the event that the license is rejected or revoked.

Sec. 66. Minnesota Statutes 1980, Section 173.25, is amended to read:

173.25 [AVAILABILITY OF FEDERAL AID FUNDS.]

The commissioner of transportation shall not be required to expend funds money for the acquisition of advertising devices controlled under this chapter until federal funds are made available to the commissioner for the purpose of carrying out the provisions of this chapter, except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has been appropriated by Congress and the federal share has been made available to the commissioner. No advertising device legal under Laws 1971, Chapter 883, shall be required to be removed or relocated until payment as provided in Laws 1971, Chapter 883, is tendered by the commissioner of transportation. This section shall not apply to the removal of signs for which no federal share is payable.

Sec. 67. Minnesota Statutes 1980, Section 174.255, is amended by adding a subdivision to read:

Subd. 3. [OPERATOR ASSISTANCE.] A person operating or assisting the operation of a vehicle while employed by a program such as "project mobility" may leave the vehicle to enter premises in order to assist a person who does not require emergency ambulance service to gain access and entrance to the vehicle. The assistance shall include assisting through the first entrance to a building. Operators of the special transportation vehicles shall provide the necessary passenger assistance for door-through-door service. Assistance shall also include assisting wheel chair passengers over any exterior steps essential to either departure or destination buildings, subject to both the steps and the wheelchair being in good repair. If an operator or assistant refuses to assist because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the commissioner of transportation and the person denied service detailing the corrective measures necessary to qualify for service.

Sec. 68. Minnesota Statutes 1980, 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, land surveying and landscape architecture 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 326.33, the board of examiners in watchmaking established pursuant to section 326.541, the board of boxing established pursuant to section 341.01, the board of abstracters established pursuant to section 386.63, and the peace officer stan-

dards and training board established pursuant to section 626.841.

Sec. 69. Minnesota Statutes 1980, Section 214.06, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health related licensing boards and all non-health related licensing boards ~~may~~ shall by rule, with the approval of the commissioner of finance, adjust any fee which the board is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, *including the portion of the general support costs and statewide indirect costs of the department providing administrative support services to the board that is attributable to the board.* Examination fees, if any, shall be set by rule so that the total amount of annual examination fee income approximately meets the anticipated cost of administering the examinations during the fiscal biennium. Fee adjustments authorized under this subdivision may be made without a public hearing when the total fees *estimated to be received during the biennium* will not exceed ~~the amount of the direct appropriation~~ *110 percent of the sum of all direct appropriations, transfers in, and salary supplements to the board for the biennium.* All fees received shall be deposited with the state treasurer and credited to the general fund.

Sec. 70. Minnesota Statutes 1980, Section 216B.16, is amended by adding a subdivision to read:

Subd. 1b. When a public utility proposes changes in rates that would increase rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 71. Minnesota Statutes 1980, Section 216B.62, Subdivision 3, is amended to read:

Subd. 3. The department and commission shall ~~annually, within 90 days after the close of each fiscal year, ascertain~~ *quarterly, at least 30 days before the start of each quarter, estimate* the total of their expenditures ~~to~~ in the performance of their duties relating to public utilities under ~~Laws 1974, Chapter 429, and shall deduct therefrom all sections 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or section 72.~~ The remainder shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this

subdivision, shall not exceed one-eighth of one percent of the total gross operating revenues of the public utilities during ~~such~~ the calendar year from retail sales of gas or electric service within the state. *The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.*

Sec. 72. Minnesota Statutes 1980, Section 216B.62, is amended by adding a subdivision to read:

Subd. 6. [ADMINISTRATIVE HEARING COSTS.] Any amounts billed to the commission or the department by the office of administrative hearings for public utility contested case hearings shall be assessed by the commission or the department against the public utility. The assessment shall be paid into the state treasury within 30 days after a bill, which constitutes notice of the assessment and demand for payment of it, has been mailed to the public utility. Money received shall be credited to a special account and is appropriated to the commission or the department for payment to the office of administrative hearings.

Sec. 73. Minnesota Statutes 1980, Section 237.075, is amended by adding a subdivision to read:

Subd. 1b. When a telephone company proposes changes in rates that would increase rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 74. Minnesota Statutes 1980, Section 237.295, Subdivision 2, is amended to read:

*Subd. 2. The department and commission shall ~~annually, within 90 days after the close of each fiscal year, ascertain~~ quarterly, at least 30 days before the start of each quarter, estimate the total of its expenditures ~~to in~~ the performance of its duties relating to telephone companies, ~~and shall deduct therefrom all other than~~ amounts chargeable to telephone companies under subdivision 1 or section 75. The remainder shall be assessed by the department to the several telephone companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several telephone companies, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the telephone companies, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during ~~such~~ the calendar year. *The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual**

expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 75. Minnesota Statutes 1980, Section 237.295, is amended by adding a subdivision to read:

Subd. 5. [ADMINISTRATIVE HEARING COSTS.] Any amounts billed to the commission or the department by the office of administrative hearings for telephone contested case hearings shall be assessed by the commissioner or the department against the telephone company. The assessment shall be paid into the state treasury within 30 days after a bill, which constitutes notice of the assessment and demand for payment of it, has been mailed to the telephone company. Money received shall be credited to a special account and is appropriated to the commissioner or the department for payment to the office of administrative hearings.

Sec. 76. Minnesota Statutes 1980, Section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION.]

No fee, unless specially scheduled by The department, shall be charged charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection shall be paid by the owner if the inspection is performed at his request, and or if the inspection is made at the request of some other person the cost shall be paid by the owner if and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for all regular inspections and special services. All moneys collected by the division department for its regular inspections, special services, fees, and penalties shall be paid into the state treasury, and credited to the state general fund.

Sec. 77. Minnesota Statutes 1980, Section 239.52, is amended to read:

239.52 [WEIGHTS AND MEASURES FEES.]

The department of public service is directed to shall adjust the schedule of fees for regular and special weights and measures inspections to provide that each type of fee charged shall be sufficient to cover the cost of the special inspection, and that the aggregate of fees collected shall be sufficient to pay for all salaries and other expenses connected with special inspections recover the amount of money appropriated for the weights and measures program, other than the cost of (1) checkweighing or the weighing of prepackaged goods to determine whether the content weight listed on the package is accurate, (2) testing for the quality of petroleum products, (3) inspections or investigations made as a result of a complaint received by the department, if the scale weight, measure, or weighing or measuring device is found to be correct, and (4) court appearances by department personnel on behalf of other governmental agencies. The department of public service shall review and adjust its schedule of fees for regular and special inspections at the end of each six months and have all fees charged approved by the commissioner of administration finance before they are adopted, so as to insure that the fees charged shall be sufficient to pay all the salaries and expenses recoverable costs connected with regular and special inspections during the fiscal year.

Sec. 78. Minnesota Statutes 1980, Section 270.051, Subdivision 2, is

amended to read:

Subd. 2. The commissioner of revenue shall collect five percent of the gross receipts from admission to every *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein. All complimentary tickets for a *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof.

Each person issued a license in accordance with section 341.05, subdivision 2, shall also, within 24 hours after the termination of the telecast or subscription television program, pay to the commissioner five percent of the gross receipts from the sale of tickets of admission or money received from subscription for the showing or exhibiting of the telecast or program. If the *wrestling*, boxing or sparring match, exhibition, or performance shown or exhibited is wholly amateur no payment is due.

Sec. 79. Minnesota Statutes 1980, Section 297B.035, Subdivision 2, is amended to read:

Subd. 2. Motor vehicles which satisfy the definitions of subdivision 1, shall be taxed at a yearly rate of \$15 per set of dealer plates ~~plate~~. This tax shall be paid when dealer plates are purchased and shall be deposited in the state treasury and credited to the general fund. This tax shall be in lieu of any other state sales, excise, or use tax.

Sec. 80. Minnesota Statutes 1980, Section 326.241, Subdivision 3, is amended to read:

Subd. 3. [FEES AND FINANCES; DISPOSITION.] All license fees collected under the provisions of sections 326.241 to 326.248 are to be credited to the general fund. ~~The unexpended balance in a special fund of the board as of July 1, 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. 81. Minnesota Statutes 1980, Section 326.244, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE.]

(a) At or before commencement of any installation required to be inspected by the board, the electrical contractor, installer, special electrician, or owner making ~~such~~ the installation shall submit to the board a request for inspection, in a form prescribed by the board, together with a ~~supervisory~~ fee of 50 cents and the inspection fees required for ~~such~~ the installation.

(b) The fees required are a handling fee and an inspection fee. The handling fee shall be set by the board in an amount sufficient to pay the cost of printing and handling the form requesting an inspection. The inspection fee shall be set by the board in an amount sufficient to pay the actual costs of the inspection and the board's costs in administering the inspection. All fees shall be set pursuant to the procedure of sections 15.041 to 15.052.

(c) All handling fees shall be deposited in the general fund. All inspection

fees collected pursuant to this section shall be deposited by the board in a special revenue bookkeeping account of the treasury and are appropriated to the board for the purpose of compensating contract inspectors for inspections performed, for transfer to the general fund of the portion of the fee representing inspection administration costs, and for making refunds.

(d) If the inspector finds that the installation is not in compliance with accepted standards of construction for safety to life and property as required by section 326.243, ~~he~~ *the inspector* shall by written order condemn the installation or noncomplying portion thereof, or order service to ~~such~~ *the* installation disconnected, and shall send a copy of ~~his~~ *the* order to the board. If the installation or the noncomplying part ~~thereof is such as to~~ *will* seriously and proximately endanger human life and property, the order of the inspector, when approved by ~~his~~ *the inspector's* superior, shall require immediate condemnation or disconnection. In all other cases, the order of the inspector shall permit a reasonable opportunity for the installation to be brought into compliance with accepted standards of construction for safety to life and property prior to the effective time established ~~therein~~ for condemnation or disconnection.

(e) Copies of each condemnation or disconnection order shall be served personally or by mail upon the property owner, and the electrical contractor, installer, or special electrician making the installation, and ~~such~~ other persons as the board by rule or regulation may direct. An aggrieved party may appeal any ~~such~~ condemnation or disconnection order by filing with the board a notice of appeal within ten days after ~~(a)~~ (1) service upon ~~him~~ *the aggrieved party* of the condemnation or disconnection order, if ~~such~~ *this* service is required, or ~~(b)~~ (2) filing of the order with the board, whichever is later. ~~Thereupon~~ The appeal shall proceed and the order of the inspector shall have ~~such the effect not inconsistent herewith~~ as the order, by its terms, and the rules and regulations of the board ~~may provide~~ *provides*. The board shall adopt rules or regulations providing procedures for the conduct of ~~such~~ appeals, including provisions for the stay of enforcement of the order of the inspector pending such appeal when justified by the circumstances.

Sec. 82. [TRANSFER OF FUNDS.]

On the effective date of section 81, the commissioner of finance shall transfer from the appropriation to the board in Laws 1979, Chapter 333, Section 33, Subdivision 7, an amount equal to the liability of the board as of the date of transfer for inspection services to be performed. The transfer shall be made to the special revenue bookkeeping account provided in section 81.

Sec. 83. Minnesota Statutes 1980, Section 340.11, Subdivision 14, is amended to read:

Subd. 14. [LICENSE FEES.] The license fees to be paid before the issuance of licenses shall be as provided in clauses (a), (b), (c), (d).

(a) Except as provided in clauses (b), (c), and (d), any manufacturer shall pay to the state annually a license fee of ~~\$5,000~~ \$7,500, and a fee of \$3,000 for each duplicate thereof.

(b) Any manufacturer of wines containing not more than 25 percent of alcohol by volume shall pay to the state annually a fee of \$500.

(c) Except as provided in clauses (a), (b), (d), any wholesaler shall pay to the

state annually a license fee of ~~\$5,000~~ \$7,500, and a fee of \$3,000 for each duplicate thereof.

(d) Any wholesaler of wines containing not more than 25 percent of alcohol by volume shall pay to the state annually a fee of ~~\$500~~ \$750.

(e) The maximum license fee for an "off-sale" license in the cities of the first class shall be the sum of which, together with any occupation tax that may be imposed by a municipality issuing said "off-sale" license, will not exceed the sum of \$1,000 annually; in all cities of over 10,000 population, except cities of the first class, the maximum license fee for an "off-sale" license shall be \$200; in all cities with a population between 5,000 and 10,000 the maximum license fee shall be \$150; in all cities of 5,000 population or less, the maximum license fee shall be \$100. All such license fees for "off-sale" licenses shall be payable to the municipalities issuing the license. Where such licenses shall be issued for less than one year, a fee may be a pro rata share of the annual license fee.

Sec. 84. Minnesota Statutes 1980, Section 340.113, Subdivision 2, is amended to read:

Subd. 2. [LICENSE, APPLICATION, RENEWAL.] Such licenses shall be issued by the commissioner of public safety for the term of one year, and must be renewed annually. Application for such a license shall be made to the commissioner of public safety. The form of application shall contain an agreement on the part of the applicant that he will observe all of the laws of this state relating to the importation and sale of intoxicating liquor, and such other information and statements as the commissioner of public safety may require. Any person who has violated any of the laws of this state relating to intoxicating liquor shall not be entitled to such a license. The fee for each annual license shall be ~~\$150~~ \$300 which shall accompany the application for license.

Sec. 85. Minnesota Statutes 1980, Section 340.119, Subdivision 3, is amended to read:

Subd. 3. It is unlawful for any bottle club or for any business establishment, directly or indirectly, or upon any pretense or by any device, to allow the consumption or display of intoxicating liquor or the serving of any liquid for the purpose of mixing of intoxicating liquor without having first obtained a permit therefor. Such permit may be issued by the commissioner of public safety after approval by the governing body of the county or city, for a period of one year to expire on July 1, next following issuance of such license, upon the payment of ~~\$100~~ \$150 and must be renewed annually on July 1. Application for such permit shall be made to the commissioner of public safety. There is hereby conferred upon the governing body of each county and city in the state the authority to impose, in addition to the fee provided by this subdivision, a local license fee not exceeding \$300 per year, which shall be payable to the county and city imposing the fee.

Sec. 86. Minnesota Statutes 1980, Section 340.402, is amended to read:

340.402 [LICENSES, FEES.]

No person shall engage in business as a brewer or wholesaler of intoxicating malt liquor nor shall any person, directly or indirectly, by any device, manufacture for sale or sell at wholesale any intoxicating malt liquor unless li-

censed to do so by the commissioner.

Application for license shall be made in writing, filed with the commissioner in the form prescribed by him and verified by the applicant or, if a corporation, by one of its officers having knowledge of the facts. At the time of filing an application the applicant shall file with the commissioner his bond and pay the license fee herein provided for.

The annual fees for license are: for a brewer, the sum of ~~\$1,000~~ \$1,250, for a wholesaler, the sum of ~~\$200~~ \$300, and a wholesaler's malt beverage duplicate license the sum of \$15.

A brewer holding a license to manufacture intoxicating malt liquor may sell his products at wholesale without another license.

Sec. 87. Minnesota Statutes 1980, Section 340.493, Subdivision 2, is amended to read:

Subd. 2. [LICENSES; APPLICATION, RENEWAL.] Such licenses shall be issued by the commissioner of public safety for one year and must be renewed annually. The application for such license shall contain an agreement on the part of the applicant that he will observe all laws of this state relating to the importation and taxation of such fermented malt beverages and such other information and statements as the commissioner requires. Any person who has violated any laws of this state relating to fermented malt beverages or intoxicating liquor is not entitled to such license. The fee for each annual license is ~~\$100~~ \$200 which shall accompany the application for license. If an examination of the financial responsibility of any such applicant for license indicates that a bond is necessary for the protection of the revenue, the commissioner may require the applicant to file a bond to be approved by the commissioner, payable to the state in an amount not less than \$1,000 and not more than \$5,000 conditioned upon the payment of all excise taxes to become payable to the state.

Sec. 88. Minnesota Statutes 1980, Section 340.62, is amended to read:

340.62 [CERTAIN LIQUOR REGISTERED.]

No licensed manufacturer or wholesaler shall manufacture or import for sale within the state, any brand of intoxicating liquor such as distilled spirits and wine, or any distilled or vinous liquor designated as a specialty, wherein such liquor is ready for sale for beverage purposes without further processing, unless the label of such brand has been registered with and approved by the commissioner. The commissioner shall hereinafter establish a register for such brand labels, which labels shall be acceptable under the following conditions:

(1) No brand of intoxicating liquor as hereinbefore described shall be manufactured or imported for sale within the state after the passage of this act unless the brand label thereof has been submitted to and approved by the commissioner. The fee for such registration shall be ~~\$40~~ \$20 for each brand label.

(2) The same registration and fee shall be required for any brand of liquor as hereinbefore described which has been manufactured or imported for sale within this state and in which the brand label for such brand has been filed with the commissioner and wherein the sale of such brand has been discontinued within the state by the manufacturer or wholesaler for a period of two years.

(3) After the sale of any brand of intoxicating liquor as hereinbefore de-

scribed has been discontinued within this state for a period of three years by the manufacturer or wholesaler distributing it, said brand and its brand label and any and all registrations thereof in this state shall thereafter be conclusively presumed to have been abandoned by said manufacturer or wholesaler.

(4) The terms "brand" and "brand label," when used herein, shall each be construed to mean and include trademarks and designs used in connection therewith.

(5) All money received by the commissioner under the provisions of this section shall be paid to the state treasurer and such money shall be credited to the general fund.

Sec. 89. Minnesota Statutes 1980, Section 341.01, is amended to read:

341.01 [CREATION.]

There is hereby created the board of *wrestling and boxing*, to consist of seven members, citizens of this state, two of whom shall be public members as defined by section 214.02. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214 and Laws 1976, Chapter 222, Sections 2 to 7.

Sec. 90. Minnesota Statutes 1980, Section 341.02, is amended to read:

341.02 [LIMITATIONS.]

No member shall directly or indirectly promote any *wrestling, boxing or sparring exhibition* or directly or indirectly engage in the managing of any *wrestler or boxer* or be interested in any manner in any proceeds from any *wrestling or boxing match*.

Sec. 91. Minnesota Statutes 1980, Section 341.04, is amended to read:

341.04 [EXECUTIVE SECRETARY; PERSONNEL.]

The board of *wrestling and boxing* shall have power to appoint, and at its pleasure remove, an executive secretary and prescribe his powers and duties. The executive secretary shall be the executive secretary of the board, but shall not be a member of the board. The board may employ such other personnel as may be necessary in the performance of its duties.

Sec. 92. Minnesota Statutes 1980, Section 341.05, is amended to read:

341.05 [DUTIES.]

Subdivision 1. The board of *wrestling and boxing* shall have charge and supervision of all *professional wrestling exhibitions and boxing and sparring exhibitions* held in the state and have power:

(1) To promulgate rules governing the conduct of *professional wrestling exhibitions and boxing and sparring exhibitions* and the time and place thereof;

(2) To issue licenses to individuals or organizations desiring to promote or conduct *wrestling, boxing or sparring exhibitions*, and to suspend or revoke the licenses at its pleasure; every application for a license shall designate the

territory in which the individual or organization intends to operate, and the license granted shall entitle the licensee to conduct the exhibitions in that territory and in no other.

The commissioner of revenue shall collect five percent of the gross receipts from admission to every *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein.

All complimentary tickets for a *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof. All moneys so collected shall be paid into the state treasury.

Subd. 2. The board of *wrestling and boxing* shall issue a license to a person or organization holding, showing, or exhibiting a simultaneous telecast of any live, current, or spontaneous *wrestling*, boxing or sparring match, exhibition, or performance on a closed circuit telecast or subscription television program viewed within the state, whether originating in this state or elsewhere, and for which a charge is made. Each such person or organization shall apply for such a license in advance of each showing and shall within 24 hours after the termination of such showing furnish the commissioner of revenue a written report, duly verified by an authorized person, showing the number of tickets sold for such showing, the amount of the gross proceeds thereof, and such other matters as the commissioner of revenue may prescribe; and shall also, within 24 hours after the termination of such showing, pay to the commissioner of revenue five percent of the gross receipts from the sale of tickets of admission or moneys received from subscription for the showing or exhibiting of said *wrestling*, boxing or sparring match, exhibition, or performance. If the *wrestling*, boxing or sparring match, exhibition, or performance is wholly amateur no payment is due.

Whoever violates the provisions of this subdivision is guilty of a misdemeanor and may be punished therefor as provided by law. The penalty herein provided is in addition to any other penalty for violation of this subdivision as may be otherwise fixed in this chapter.

Sec. 93. Minnesota Statutes 1980, Section 341.07, is amended to read:

341.07 [LICENSES; RESTRICTIONS.]

Unless revoked by the board, licenses granted hereunder shall authorize the individuals or organizations receiving the same to conduct *professional wrestling exhibitions* or boxing or sparring exhibitions in the community designated therein for the period of time designated therein, subject to the rules of the board and to restrictions as the board may in its discretion incorporate therein. Each license shall contain a statement that *wrestling*, boxing or sparring exhibitions may be held on any Sunday and that no boxing or sparring match shall be of more than 15 rounds, of not to exceed three minutes each, and no *professional wrestling match* shall exceed one hour of continuous action.

Sec. 94. Minnesota Statutes 1980, Section 341.08, is amended to read:

341.08 [EXHIBITIONS; CONSENT REQUIRED.]

The provisions of this chapter are applicable to cities of the first class, but no license shall be issued for the conducting of any *professional wrestling exhibitions or boxing or sparring exhibitions* within the limits of any municipality, except cities of the first class, unless the governing body thereof has first consented to the holding of *professional wrestling exhibitions or boxing or sparring exhibitions* therein; in the event that the license is for the conducting of *professional wrestling exhibitions or boxing or sparring exhibitions* in any county outside the limits of a municipality, such license shall not be issued until the board of county commissioners of the county and also the governing body of the town shall have authorized the holding of *professional wrestling exhibitions or boxing or sparring exhibitions* in such community, and each such license shall designate the particular community in such county where such exhibitions are held. Consent by the governing body of such municipality or by the county board or by the governing board of the town shall be evidenced by a certified copy of a resolution thereof filed with the board. The governing body may revoke the consent any time, and any licenses shall expire 30 days after resolution revoking consent has been filed with the board.

Sec. 95. Minnesota Statutes 1980, Section 341.09, is amended to read:

341.09 [NUMBER OF LICENSES.]

Subdivision 1. Except as provided in subdivisions 2 and 3, only one license for *professional wrestling exhibitions and one license for boxing and sparring exhibitions* shall be in force in any municipality or community at any time.

Subd. 2. In any municipality having more than 100,000 and less than 200,000 inhabitants, the board of *wrestling and boxing* may issue one license for amateur and one for professional boxing and sparring exhibitions, *and one for professional wrestling exhibitions*, but ~~both~~ the licenses shall not be issued to the same person.

Subd. 3. In municipalities whose population exceeds 200,000 the board of *wrestling and boxing* may issue one franchise for *professional wrestling exhibitions and one franchise for boxing and sparring exhibitions* for every 200,000 population or fraction thereof.

Sec. 96. Minnesota Statutes 1980, Section 341.10, is amended to read:

341.10 [LICENSE FEES.]

The board shall have authority to collect and require the payment of a license fee in an amount set by the board from the owners of franchises or licenses. The board shall require the payment of the fee at the time of the issuance of the license or franchise to the owner. The moneys so derived shall be collected by the board and paid to the state treasurer. The board shall have authority to license all *professional wrestlers and boxers, managers, seconds, referees and judges* and may require them to pay a license fee. All moneys collected by the board from such licenses shall be paid to the state treasurer.

Sec. 97. Minnesota Statutes 1980, Section 341.12, is amended to read:

341.12 [BONDS.]

Before any license other than an amateur *wrestling or boxing* license shall be granted to any person, club, corporation, or organization to conduct, hold or give any *wrestling, boxing or sparring match, or exhibition*, such applicant

therefor shall execute and file with the chairman of the commerce commission a bond in the sum of \$2,500 in cities of the first class and \$1,000 in other communities, to be approved, as to form and sufficiency of the sureties thereof, by the chairman of the commerce commission, conditioned for the payment of the five percent of the total gross receipts and license fees herein provided. Upon the filing and approval of such bond the chairman of the commerce commission shall issue to such applicant for such license a certificate of such filing and approval, which shall be by such applicant filed in the office of the board with its application for such license; and no such license shall be issued until such certificate shall be so filed.

Sec. 98. Minnesota Statutes 1980, Section 341.13, is amended to read:

341.13 [PENALTIES FOR NON-LICENSED EXHIBITIONS.]

Any person or persons who shall send or cause to be sent, published, or otherwise made known, any challenge to fight what is commonly known as a prize fight, or engage in any public *professional wrestling exhibition or any boxing or sparring match*, exhibition, or contest, with or without gloves, for any prize, reward, or compensation, or at which any admission fee is charged directly or indirectly, or go into training preparatory for such fight, exhibition, or contest, or act as a trainer, aider, abetter, backer, umpire, second surgeon, assistant, or attendant at such fight, exhibition, or contest; or in any preparation for the same, and any owner or lessee of any grounds, buildings, or structure of any kind permitting the same to be used for such fight, exhibition, or contest, shall be deemed guilty of a misdemeanor; provided, that this section shall not apply to *wrestling, boxing or sparring exhibitions held or to be held under license issued by the board of wrestling and boxing and in compliance with the rules issued by it.*

Sec. 99. Minnesota Statutes 1980, Section 341.15, is amended to read:

341.15 [FAILURE TO REPORT TO THE BOARD.]

When any individual or organization shall fail to make a report of receipts of any contest at the time prescribed by the board of *wrestling and boxing* or to pay the fee herein provided, or when such report is unsatisfactory to the commissioner of finance, he may examine, or cause to be examined, the books and records of such individual or organization, and subpoena and examine, under oath, officers and other persons as witnesses for the purpose of determining the total amount of the gross receipts for any contest and the amount due pursuant to the provisions of this chapter, which amount he may, upon and as the result of such examination, fix and determine. In case of default in the payment of any amount so ascertained to be due, together with the expense incurred in making such examination, for a period of 20 days after notice to such delinquent individual or organization of the amount at which the same may be fixed by the commissioner of finance, such delinquent shall, ipso facto, forfeit and be thereby disqualified from receiving any new license or any renewal of license and, in addition, forfeit to the state of Minnesota the sum of \$500, which may be recovered by the attorney general, in the name of the state, in the same manner as other penalties are by law recovered.

Sec. 100. Minnesota Statutes 1980, Section 360.021, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO ESTABLISH.] The commissioner is

authorized and empowered, on behalf of and in the name of this state, within the limitation of available appropriations, to acquire, by purchase, gift, devise, lease, condemnation proceedings, or otherwise, property, real or personal, for the purpose of establishing and constructing airports, restricted landing areas, and other air navigation facilities; and to acquire in like manner, own, control, establish, construct, enlarge, improve, maintain, equip, operate, regulate, and police such airports, restricted landing areas, and other air navigation facilities, either within or without this state; and to make, prior to any such acquisition, investigations, surveys, and plans, ~~to~~. *He may maintain, equip, operate, regulate, and police airports, either within or without this state. He may erect, install, construct, and maintain at such airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers. and to He may dispose of any such property, airport, restricted landing area, or any other air navigation facility, by sale, lease, or otherwise, in accordance with the laws of this state governing the disposition of other like property of the state. He may not acquire or take over any airport, restricted landing area, or other air navigation facility without the consent of the owner. He shall not acquire any additional state airports nor establish any additional state-owned airports. He may erect, equip, operate, and maintain on any airport buildings and equipment necessary and proper to establish, maintain, and conduct such airport and air navigation facilities connected therewith. He shall not expend money for land acquisition, or for the construction, improvement, or maintenance of airports, or for air navigation facilities for an airport, unless 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 sections 360.061 to 360.074. Notwithstanding the foregoing prohibition, the commissioner may continue to maintain the state owned airport at Pine Creek.*

Sec. 101. Minnesota Statutes 1980, Section 360.021, Subdivision 2, is amended to read:

Subd. 2. [AIRPORT PROTECTION PRIVILEGES.] Where necessary in order to provide unobstructed air space for the landing and taking off of aircraft utilizing airports and restricted landing areas acquired or operated under the provisions of sections 360.011 to 360.076, he is hereby granted authority to acquire, in the same manner as is provided for the acquisition of property for airport purposes, easements through or other interests in air space over land or water, interests in airport hazards outside the boundaries of the airports or restricted landing areas, and such other airport protection privileges as are necessary to insure safe approaches to the landing areas of said airports and restricted landing areas, and the safe and efficient operation thereof. He is also hereby authorized to acquire, in the same manner, the right of easement, for a term of years or perpetually, to place or maintain suitable marks for the daytime marking and suitable lights for the nighttime marking of airport hazards, including the right of ingress and egress to or from such airport hazards for the purpose of maintaining and repairing such lights and marks. This authority shall not be so construed as to limit the right, power, or authority of the state or any municipality to zone property adjacent to any airport or restricted landing area pursuant to any law of this state. *The commissioner shall make maximum use of zoning and easements to eliminate runway and other potential airport hazards rather than land acquisition in fee.*

Sec. 102. Minnesota Statutes 1980, Section 360.305, is amended by adding

a subdivision to read:

Subd. 6. [ZONING REQUIRED.] The commissioner shall not expend money for land acquisition, or for the construction, improvement, or maintenance of airports, or for air navigation facilities for an airport, unless 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 sections 360.061 to 360.074. The commissioner shall make maximum use of zoning and easements to eliminate runway and other potential airport hazards rather than land acquisition in fee.

Sec. 103. Minnesota Statutes 1980, Section 360.305, is amended by adding a subdivision to read:

Subd. 7. [REIMBURSEMENTS.] Reimbursements from municipalities for striping runways shall be deposited in the state airport fund.

Sec. 104. Minnesota Statutes 1980, Section 388.14, is amended to read:

388.14 [CONTINGENT FUND; EXPENSES.]

The county board may set apart yearly a sum, not exceeding ~~\$3,000~~ \$5,000, except in counties containing cities of the first class, where the sum shall not exceed \$7,500, as a contingent fund for defraying necessary expenses not especially provided for by law, in preparing and trying criminal cases, conducting investigations by the grand jury, making contributions to a statewide county attorney's organization, and paying the necessary expenses of the county attorney incurred in the business of the county. All disbursements from such fund shall be made upon written request of the county attorney by auditor's warrant, countersigned by a judge of the district court. Any balance remaining at the end of the year shall be transferred to the revenue fund.

Sec. 105. Minnesota Statutes 1980, Section 388.19, Subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is hereby created a county attorneys council hereinafter designated as the "council" to be composed of the county attorney from each of the 87 counties and the attorney general of the state of Minnesota. The members shall meet annually in November of each year and, commencing at the annual meeting in November 1973, shall elect a president, a president-elect, a secretary, and a treasurer, and such other officers and directors as the county attorneys council shall determine. Each of these officers shall hold office for a term of one year and until their successors are elected and qualified. The county attorneys council may adopt such rules as are necessary for the carrying out of its duties. A county attorney may designate in writing an assistant who may act in his stead in carrying out any function of the county attorneys council except serving as an officer. The county attorneys council may acquire and hold property, accept gifts, grants, and contributions and ~~expend any such sums so received. The county attorneys council~~ may charge fees for services, for seminars, workshops and publications it conducts and produces. All receipts from these sources shall be deposited in one or more special accounts in the state treasury and are appropriated to the county attorneys council for carrying out the duties described in subdivision 4.

Sec. 106. Minnesota Statutes 1980, Section 414.051, is amended to read:

414.051 [BOARD'S REVIEW OF TOWNSHIPS ACCORDING TO POPULATION.]

After each federal census the board shall may determine the townships which have a population in excess of 2,000 exclusive of any municipality or part of a municipality within the township and make recommendations which it deems necessary and reasonable to the board of any such township.

Sec. 107. Minnesota Statutes 1980, Section 462.16, is amended to read:

462.16 [POWER TO ENACT ORDINANCES FOR ENFORCEMENT OF RIGHTS GIVEN TO COUNCIL.]

The council shall have the power to enact ordinances for the enforcement of the rights which shall be acquired under sections 462.12 to 462.17, and to fix penalties for their violation, including a fine not exceeding \$100 or confinement in the city workhouse not exceeding 90 days. Violations of the ordinances may be prosecuted in the municipal court of the city. *Restricted residence districts created pursuant to sections 462.12 to 462.16 shall be subject to the provisions of section 541.023. In construing the scope and effect of a residence district restriction, equitable principles shall be utilized and the following shall be considered: the historic pattern of enforcement or non-enforcement; changed circumstances; the length of time during which current uses have been allowed to exist; the actual impact of current land uses; and detrimental reliance.*

Sec. 108. Laws 1980, Chapter 534, Section 87, is amended to read:

Sec. 87. [EFFECTIVE DATE.]

This act is effective on July 1, ~~1981~~ 1983.

Sec. 109. Laws 1980, Chapter 607, Article XIII, Section 2, Subdivision 3, is amended to read:

Subd. 3. The joint commission shall report its findings and recommendations to the legislature on or before January 1, ~~1982~~ 1984. The report shall cover, but not be limited to, the issues of available corridors and rights-of-way, define necessary physical improvements, make potential ridership projections, and make recommendations for funding of capital and operating costs.

Sec. 110. Laws 1980, Chapter 607, Article XIII, Section 2, Subdivision 5, is amended to read:

Subd. 5. This section is repealed January 1, ~~1982~~ 1984.

Sec. 111. [APPROVAL.]

The implementation of sections 109 and 110 shall be the responsibility of the St. Cloud area planning organization with the assistance of the regional development commission for region 7W, the metropolitan council, and the commissioner of transportation.

Sec. 112. [VARIANCES; TEMPORARY PROVISION.]

If an application by a city for a variance under Minnesota Statutes, Section 162.13, Subdivision 2 proceeds to a contested case hearing, no financial commitment by the state made to a city either before or after the entry of the decision by the hearing examiner shall be reduced in any manner. This section

applies to all variances granted on or after January 1, 1981 and before June 1, 1981.

Sec. 113. [DIRECTION TO REVISOR.]

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "director of the office of consumer services" for the term "board of cosmetology" wherever that term appears.

Sec. 114. [REPEALER.]

Minnesota Statutes 1980, Chapter 458B is repealed, effective the day after final enactment pursuant to Minnesota Statutes, Section 645.023, Subdivision 1. This section applies to the governmental units and agencies named in chapter 458B, including the city of St. Paul and the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 115. [REPEALER.]

Minnesota Statutes 1980, Sections 155.01; 155.02; 155.03; 155.04; 155.05; 155.06; 155.08; 155.09; 155.11; 155.12; 155.13; 155.14; 155.15; 155.16; 155.17; 155.18; 155.19; 155.20; 155.205; 155.21; and 239.521, are repealed.

Sec. 116. [EFFECTIVE DATE.]

Section 27 is effective the day following final enactment. Section 51 and sections 53 to 56 are effective retroactively to November 15, 1980."

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 agencies with certain conditions; providing for the regulation of professional wrestling; imposing a tax on the gross receipts from admission to professional wrestling exhibitions, and on the gross receipts from the lease or sale of radio, motion picture and television rights therein; providing penalties; amending Minnesota Statutes 1980, Sections 12.14; 15.0412; Subdivision 4; 16A.128; 37.17, by adding a subdivision; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.125, Subdivision 1; 161.242, Subdivision 4; 162.09, Subdivision 4; 168.013, Subdivisions 1c and 1e and by adding a subdivision; 168.12, Subdivisions 1 and 2a; 168.27, Subdivisions 16 and 17; 168.33, Subdivision 7; 169.09, Subdivision 7; 169.451; 169.79; 169.974, Subdivision 2; 171.13, by adding a subdivision; 171.36; 173.25; 174.255, by adding a subdivision; 214.01, Subdivision 3; 214.06, Subdivision 1; 216B.16 by adding a subdivision; 216B.62, Subdivision 3 and by adding a subdivision; 237.075 by adding a subdivision; 237.295, Subdivision 2 and by adding a subdivision; 239.10; 239.52; 270.051, Subdivision 2; 297B.035, Subdivision 2; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 341.01; 341.02; 341.04; 341.05; 341.07; 341.08; 341.09; 341.10; 341.12; 341.13; 341.15; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; 414.051; 462.16; Laws 1980, Chapter 534, Section 87; and Chapter 607, Article XIII, Section 2, Subdivisions 3 and 5; proposing new law coded in Minnesota Statutes, Chapter 138; proposing new law coded as Minnesota Statutes, Chapter 155A; repealing Minnesota Statutes 1980, Sections 155.01; 155.02; 155.03; 155.04; 155.05; 155.06;

155.08; 155.09; 155.11; 155.12; 155.13; 155.14; 155.15; 155.16; 155.17; 155.18; 155.19; 155.20; 155.205; 155.21; and 239.521."

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

House Conferees: (Signed) Glen H. Anderson, C. Thomas Osthoff, James P. Metzen, Merlyn O. Valan, Lyle G. Mehrkens

Senate Conferees: (Signed) Marion (Mike) Menning, Clarence M. Purfeerst, Earl W. Renneke, Peter P. Stumpf, George S. Pillsbury

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1434 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. 1434 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:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Spear
Bang	Engler	Langseth	Peterson, D. L.	Stern
Belanger	Frank	Lantry	Peterson, R. W.	Stokowski
Benson	Frederick	Lessard	Pillsbury	Stumpf
Berg	Frederickson	Lindgren	Purfeerst	Taylor
Berglin	Hanson	Luther	Ramstad	Ulland
Bernhagen	Hughes	Menning	Renneke	Wegener
Bertram	Humphrey	Moe, R. D.	Rued	Willet
Dahl	Johnson	Nelson	Setzpfandt	
Davies	Keefe	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

Those who voted in the negative were:

Chmielewski	Petty	Tennessen	Vega	Waldorf
Kamrath	Schmitz			

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 690 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 690

A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

May 13, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 690, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 690 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 490.124, Subdivision 9, is amended to read:

Subd. 9. [SURVIVORS' ANNUITY.] Upon the death of a judge prior to retirement, *or upon the death of a person who has qualified for an annuity but who ceases to be a judge prior to retirement and has not received a refund of contributions pursuant to subdivision 12*, his surviving spouse or, if there be no surviving spouse, his dependent children, shall receive an annuity, payable monthly, equal to 60 percent of the normal retirement annuity which would have been payable to the judge *or former judge* had the date of his death been the normal retirement date, provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's *or former judge's* final average compensation.

If a judge, whose surviving spouse was not entitled to survivors benefits provided solely for judges under statutes in effect prior to January 1, 1974, shall have died prior to retirement on or after May 23, 1973 and before January 1, 1974, his surviving spouse and dependent children, if any, shall be entitled to survivors benefits as provided hereunder as if such judge had died on January 1, 1974.

Sec. 2. Minnesota Statutes 1980, Section 490.124, Subdivision 12, is amended to read:

Subd. 12. [REFUND.] Any person who ceases to be a judge but who does not qualify for a retirement annuity or other benefit under section 490.121 shall be entitled to a refund in an amount equal to all his contributions to the judges' retirement fund plus interest computed to the first day of the month in which the refund is processed based on fiscal year balances at the rate of five percent per annum compounded annually. ~~The surviving spouse, or if there is no surviving spouse, then the estate, of any person who has ceased to be a judge and has died prior to receiving a retirement annuity or other retirement benefits shall be entitled to receive a refund in an amount equal to all the contributions made by the person to the judges retirement fund plus interest computed to the date of death at the rate of five percent per annum compounded annually.~~

Sec. 3. [PUBLIC EMPLOYEES POLICE AND FIRE FUND; CLARIFICATION OF COVERAGE FOR CERTAIN PERSONS.]

Any person who was deemed to be an employee serving on less than a full time basis as a firefighter within the meaning of Minnesota Statutes, Section 353.64, Subdivisions 1 and 3 pursuant to Laws 1980, Chapter 341, Section 7, and who has any period of prior service with the person's current employer as a full time employee of the public works department and who has as part of the person's duties as an employee the secondary responsibility of providing service as a firefighter shall be deemed eligible for pension coverage by the public

employees police and fire fund for that prior service. Any contributions made by the person or on behalf of the person to the public employees retirement association for any period of this prior service shall be transferred to the public employees police and fire fund. If the amount of those contributions were less than those required pursuant to Minnesota Statutes, Section 353.65, Subdivisions 2 and 3, the person shall be entitled on or prior to July 1, 1983 to pay the difference between the amount of employee and employer and employer additional contributions which were actually made and the amount of employee and employer contributions required pursuant to Minnesota Statutes, Section 353.65, Subdivisions 2 and 3, on the actual salary amounts paid, plus interest at the rate of six percent per annum compounded annually from the date payment otherwise would have been made as a regular contribution to the date payment is made. If full required contributions are not transferred or paid subsequent with interest, the person's service credit in the public employees police and fire fund shall be prorated accordingly.

Sec. 4. [SURVIVOR BENEFITS FOR SURVIVORS OF CERTAIN DECEASED TEACHERS.]

Notwithstanding any provision of law to the contrary, any deceased basic member of the teachers retirement association who was born on June 6, 1927, and who died on December 16, 1980, shall be deemed to have completed 30 years of allowable service and to have filed a valid election of a joint and survivor annuity, and the surviving spouse of the deceased member shall be entitled to the second portion of a joint and survivor annuity pursuant to Minnesota Statutes, Section 354.46, Subdivision 2, in lieu of any other survivor benefit which the surviving spouse may be entitled to receive. The survivor annuity pursuant to this section shall accrue on the first day of the month next following the effective date of this section.

Sec. 5. [RETROACTIVE EFFECT OF CERTAIN PROVISIONS.]

Notwithstanding any law to the contrary, the provisions of Minnesota Statutes, Section 352.85, Subdivision 1, shall apply to any former employee of the department of military affairs who has retired from the Minnesota state retirement system subsequent to January 1, 1978 but prior to the effective date of Laws 1980, Chapter 607, Article XV, Section 22. The retirement annuity payable to any person to whom this section applies shall be recomputed in accordance with the provisions of Minnesota Statutes, Section 352.85, Subdivision 1, and the recomputed retirement annuity shall accrue on the first day of the month next following the effective date of this section and shall be payable as soon as practicable thereafter.

Sec. 6. [RETROACTIVE EFFECT OF CERTAIN PROVISIONS.]

Sections 1 and 2 shall apply retroactively to any person living on the effective date of this section who ceased to be a judge prior to retirement and who has not received a refund pursuant to Minnesota Statutes, Section 490.124, Subdivision 12.

Sec. 7. [EFFECTIVE DATE.]

Sections 1, 2 and 6 are effective on July 1, 1981. Sections 3, 4 and 5 are effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to retirement; providing survivor benefit coverage for certain former judges on deferred status; clarifying retirement coverage for certain members of the public employees police and fire fund; providing survivor benefits for survivors of certain deceased teachers; providing for retroactive effect of a special retirement program for the military affairs department; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12."

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

Senate Conferees: (Signed) Collin C. Peterson, Allan H. Spear, Dennis R. Frederickson

House Conferees: (Signed) Leo J. Reding, John J. Sarna, John R. Kaley

Mr. Peterson, C. C. moved that the foregoing recommendations and Conference Committee Report on S. F. No. 690 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. 690 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:

Ashbach	Frederick	Lantry	Peterson, R.W.	Spear
Bang	Frederickson	Lessard	Petty	Stern
Benson	Hanson	Lindgren	Pillsbury	Stokowski
Berg	Hughes	Luther	Purfeerst	Taylor
Bernhagen	Johnson	Menning	Ramstad	Tennessee
Bertram	Kamrath	Moe, R.D.	Renneke	Ulland
Chmielewski	Keefe	Nelson	Rued	Vega
Davies	Knoll	Olhoft	Schmitz	Waldorf
Davis	Knutson	Pehler	Setzepfandt	Wegener
Dieterich	Kroening	Penny	Sieloff	Willet
Engler	Kronebusch	Peterson, C.C.	Sikorski	
Frank	Langseth	Peterson, D.L.	Solon	

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

MEMBERS EXCUSED

Mr. Dicklich was excused from the Session of today at 11:30 a.m. Mr. Chmielewski was excused from the Session of today from 12:00 noon to 6:00 p.m.

COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Moe, R.D. moved that the following members be excused for a meeting of the Committee on Taxes and Tax Laws at 11:30 a.m.

Messrs. Johnson; Peterson, C. C. ; Bang; Berg; Ms. Berglin; Messrs. Bernhagen; Chmielewski; Davies; Dieterich; Frederick; Hanson; Merriam; Olhoft; Pehler; Peterson, D.L.; Schmitz; Setzepfandt; Sieloff; Ulland and Vega. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe,

R. D. 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1443, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1443 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1443

A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative 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 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352E.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

May 15, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1443, 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. 1443 be amended as follows:

Delete 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 “1981”, “1982”, and “1983”, wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

	1981	1982	1983	TOTAL
General	\$	\$602,749,000	\$686,299,600	\$1,289,048,600
Special	156	2,650,400	2,643,100	5,293,656
Game and Fish	32,271	22,336,200	22,968,900	45,337,371
Park Maintenance and Operation		2,400,500	2,400,500	4,801,000
Tr. Hwy.	548,627	2,010,000	2,010,000	4,568,627
Hwy. Ustr.	1,655	1,109,100	1,127,200	2,237,955
TOTAL	\$582,709	\$633,255,200	\$717,449,300	\$1,351,287,209

APPROPRIATIONS
Available for the Year
Ending June 30
1982 1983

Sec. 2. [LEGISLATURE.]

Subdivision 1. Total for this section		\$24,064,800	\$27,054,100
Subd. 2. House of Representatives		11,463,000	12,496,000
Subd. 3. Senate		7,176,900	8,248,400
Subd. 4. Legislative Coordinating Commission		3,243,900	4,086,200

The amounts that may be expended from this appropriation for each activity are as follows:

General Support	1982	1983
\$	125,700	\$ 93,500

	1982	1983
	\$	\$
Legislative Reference Library		
\$ 402,900		\$ 455,500

Revisor of Statutes		
\$ 2,089,000		\$ 2,842,500

The appropriation in Laws 1980, Chapter 614, Section 3, Clause (b) for the unpublished laws is also available to match money from a private foundation. This paragraph is effective the day following final enactment.

The unencumbered balance in the Minnesota Statutes Revolving Fund on June 30, 1981 shall be transferred to the general fund.

Legislative Committee on Science and Technology		
\$ 105,900		\$ 125,300

Advisory Council on the Economic Status of Women		
\$ 89,900		\$ 101,100

Great Lakes Commission		
\$ 37,000		\$ 38,500

Legislative Commission on Pensions and Retirement		
\$ 120,000		\$ 134,800

Legislative Commission on Employee Relations		
\$ 100,000		\$ 100,000

Legislative Commission to Review Administrative Rules		
\$ 83,500		\$ 95,000

Legislative Commission on Waste Management		
\$ 80,000		\$ 90,000

Mississippi River Parkway Commission		
\$ 10,000		\$ 10,000

This appropriation is from the trunk highway fund.

Subd. 5. Legislative Audit Commission	2,181,000	2,223,500
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The amounts that may be expended from this appropriation for each activity are as follows:

Legislative Audit Commission		
\$ 15,000		\$ 15,000

Legislative Auditor		
\$ 2,166,000		\$ 2,208,500

Sec. 3. SUPREME COURT

	1982	1983
General Operations and Management	\$ 4,509,700	\$ 4,821,400

The amounts that may be expended from this appropriation for each program are as follows:

Supreme Court Operations
\$ 2,305,000 \$ 2,328,900

State Court Administrator
\$ 1,776,200 \$ 2,049,800

Of this amount, \$200,000 the second year is available for judicial district computer hardware costs. This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

This appropriation includes \$50,000 the first year and \$50,000 the second year to enable the judicial planning council (JPC) to study alternative dispute resolution programs and to award grants to local government agencies and non-profit organizations based upon the JPC's determination that such grants will provide accessible, cost-effective resolution of disputes, utilizing neighborhood, local and community resources (including volunteers and available space in public facilities). The JPC will report to the legislature by October 1, 1983, the types of programs which provide convenient access to effective, inexpensive and expeditious alternative dispute resolution. The legislative auditor may conduct periodic post-award audits as may be requested by the JPC and approved by the legislative audit commission. If the appropriation for either year is insufficient, the appropriation for the other year is available.

To facilitate the review process established in Minnesota Statutes, Section 546.27, the director of the state justice information system shall notify the executive secretary of the state board on judicial standards whenever a matter exceeds 90 days without a disposition.

If the appropriation for the state court administrator for either year is insufficient, the appropriation for the other year is available for it.

State Law Library
\$ 428,500 \$ 442,700

Included in this appropriation is \$29,200 the first year and \$29,200 the second year for an additional librarian to act as a liaison with county law libraries. By June 30, 1982, at least one-half of the county law libraries receiving

	1982	1983
	\$	\$

this service shall agree to provide funding equal to or exceeding the appropriation for the second year of this program or the appropriation for the second year shall cancel. This revenue shall be deposited into the general fund.

Sec. 4. STATE COURTS

General Operations and Management	11,729,750	11,770,850
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The amounts that may be expended from this appropriation for each program are as follows:

District and County Court Judges	\$11,328,250	\$11,366,850
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Included in this appropriation is \$21,250 the first year and \$21,250 the second year for judges' membership dues in state and local judges' associations.

District Court Administrators	\$ 519,800	\$ 522,600
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If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

General Reduction	(\$ 118,300)	(\$ 118,600)
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The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

Sec. 5. BOARD ON JUDICIAL STANDARDS

Approved Complement - 2.0	113,500	118,600
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If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 6. BOARD OF PUBLIC DEFENSE 343,100 343,400

This appropriation includes \$340,000 the first year and \$340,000 the second year to assist in the provision of criminal and juvenile defense to indigent individuals, allocated as follows:

St. Paul-Neighborhood Justice Center, Inc. For cases arising in Ramsey county.	\$ 95,000	\$ 95,000
Minneapolis-Legal Rights Center, Inc. For cases arising in Hennepin county.	\$ 55,000	\$ 55,000

	1982	1983
	\$	\$
Duluth-Duluth Indian Legal Assistance Program For cases arising in St. Louis and Mille Lacs counties:	\$ 85,000	\$ 85,000

Cass Lake-Leech Lake Reservation Criminal and Juvenile Defense Corp.
For cases arising in Cass, Itasca, Hubbard, and Beltrami counties.

	\$ 52,500	\$ 52,500
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White Earth-White Earth Reservation Criminal and Juvenile Defense Corp.
For cases arising in Mahnomen, Becker, and Clearwater counties.

	\$ 52,500	\$ 52,500
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The legislative auditor may conduct periodic post-award audits of these grants as may be requested by the judicial council and approved by the legislative audit commission.

Sec. 7. PUBLIC DEFENDER

General Operations and Management	792,000	809,100
Approved Complement - 25		

The amounts that may be expended from this appropriation for each activity are as follows:

Public Defender Operations

	\$ 587,800	\$ 602,200
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Legal Assistance to Minnesota Prisoners

	\$ 127,200	\$ 128,800
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Legal assistance to Minnesota prisoners shall serve the civil legal needs of persons confined to state institutions.

None of this appropriation shall be used to pay for lawsuits against public agencies or public officials to change social or public policy.

Legal Advocacy Project

	\$ 77,000	\$ 78,100
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Sec. 8. TAX COURT OF APPEALS	298,700	304,200
Approved Complement - 6		

Sec. 9. CONTINGENT ACCOUNTS	7,818,000	7,617,000
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The amounts that may be expended from this appropriation are more specifically described in the following subdivisions of this section.

Subdivision 1. The appropriations in this section shall be expended with the approval of the governor after consultation with the legislative ad-

	1982	1983
	\$	\$
visory 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 Purposes	4,000,000	4,170,000
(a) General Fund		
\$ 3,250,000	\$ 3,420,000	
(b) Game and Fish Fund		
\$ 100,000	\$ 100,000	
(c) Trunk Highway Fund		
\$ 400,000	\$ 400,000	
(d) Highway User Tax Distribution Fund		
\$ 250,000	\$ 250,000	
Subd. 3. Fuel and Utilities	3,468,000	3,447,000

For increased costs due to increased prices for fuel and utilities purchased by state agencies.

(a) General Fund		
\$ 2,143,000	\$ 2,122,000	
(b) Game and Fish Fund		
\$ 125,000	\$ 125,000	
(c) Trunk Highway Fund		
\$ 1,200,000	\$ 1,200,000	

Subd. 4. Unemployment Compensation	350,000	
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This appropriation is available to pay unemployment compensation costs when an agency has utilized all other available resources.

Sec. 10. GOVERNOR

General Operations and Management	1,654,600	1,683,800
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The amounts that may be expended from this appropriation for each program are as follows:

Executive Operations		
\$ 1,461,200	\$ 1,490,400	

This appropriation includes \$200,000 the first year and \$205,000 the second year for the office of lieutenant governor.

Of this appropriation, \$15,000 the first year and \$15,000 the second year is for personal expenses connected with the office of the governor.

\$5,900 the second year is for the official governor's portrait.

\$16,400 the first year and \$17,800 the second year is for the committee on appointments.

	1982	1983
	\$	\$
Interstate Representation and Cooperation		
\$ 193,400	\$ 193,400	

\$22,300 the first year and \$22,300 the second year is for the Great Lakes Basin Commission - State Share.

\$71,000 the first year and \$71,000 the second year is for the Upper Great Lakes Regional Commission - State Share.

\$49,500 the first year and \$49,500 the second year is for the Upper Mississippi Basin Commission - State Share.

\$50,600 the first year and \$50,600 the second year is for the National Governors Association.

If federal funding is eliminated by congressional action for any of the commissions, the corresponding state funding shall cancel to the general fund.

Sec. 11. SECRETARY OF STATE

General Operations and Management	975,500	1,206,800
Approved Complement - 35		

The amounts that may be expended from this appropriation for each activity are as follows:

Elections and Publications		
\$ 211,100	\$ 519,900	
Uniform Commercial Code		
\$ 71,200	\$ 85,400	
Business Services		
\$ 387,000	\$ 360,500	
Administration		
\$ 284,900	\$ 239,400	

\$50,000 the first year is for a study of the feasibility, costs, and benefits of computerizing the records of the office of secretary of state, and for the preparation of a design and plan for development of a computerized system if the study shows that the system is feasible. The secretary of state shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to Minnesota Statutes, Section 16.955, but this project is not subject to the requirements of that section. The system design and plan for development shall not be prepared until the results of the feasibility study have been reported to the chairmen of the senate finance committee and

1982 1983
\$ \$

the house appropriations committee and the chairmen have made their recommendations on it. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Fiscal Operations
\$ 51,300 \$ 51,600

General Reduction
(\$ 30,000) (\$ 50,000)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The secretary of state may transfer unencumbered balances not specified for a particular purpose 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. 12. STATE AUDITOR	255,400	258,000
Approved Complement - 122		
General - 7.5		
Revolving - 114.5		

During the two year period ending June 30, 1983, the commissioner of finance shall not approve any rate increase for the state auditor beyond those in effect January 1, 1981 except for adjustments necessitated by negotiated salary increases.

Sec. 13. STATE TREASURER	900,900	901,000
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	1982	1983
Approved Complement -	31	29

The amounts that may be expended from this appropriation for each activity are as follows:

Treasury Management
\$ 549,700 \$ 549,100

Property and Escheat Claims
\$ 351,200 \$ 351,900

Sec. 14. ATTORNEY GENERAL

General Operations and Management	10,789,500	11,763,300
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	1982	1983
	\$	\$
Approved Complement - 288		
General - 283		
Federal - 5		

The amounts that may be expended from this appropriation for each activity are as follows:

Public Administration	\$ 1,409,600	\$ 1,552,700
Public Resources	\$ 2,630,500	\$ 2,874,200
Public Assistance	\$ 1,348,600	\$ 1,485,300
Public Protection	\$ 2,800,800	\$ 3,072,100

\$298,000 the first year and \$310,200 the second year is for costs and expenses incurred by the attorney general in enforcing and making claims under state and federal antitrust laws. The attorney general shall report the purposes for which this money is 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 the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Legal Policy and Administration
 \$ 2,830,100 \$ 3,023,900

Of this appropriation, \$50,000 the first year and \$50,000 the second year is for a special account for unanticipated legal expenses. If the appropriation for either year is insufficient, the appropriation for the other years is available for it.

General Reduction
 (\$ 230,100) (\$ 244,900)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The attorney general may transfer unencumbered balances not specified for a particular purpose 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.

	1982	1983
Sec. 15. EXECUTIVE COUNCIL	\$ 1,000,000	\$ 1,000,000

For expenses in emergencies pursuant to Minnesota Statutes, Section 9.061.

Sec. 16. INVESTMENT BOARD	1,173,900	1,103,900
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Approved Complement - 30
Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Sec. 17. ADMINISTRATIVE HEARINGS
Approved Complement
Revolving - 25.5

Sec. 18. ADMINISTRATION		
General Operations and Management	17,441,500	19,150,300
Approved Complement -	910	
General -	454	
Special -	11	
Revolving -	445	

The amounts that may be expended from this appropriation for each program are as follows:

Management Services
\$ 3,767,800 \$ 3,964,000

Real Property Management
\$ 8,780,300 \$ 9,303,300

The department shall receive the assistance of the Freshwater Biological Institute in a program of Dutch elm disease treatment in the capitol area.

The central motor pool revolving account may be used to provide material transfer services to departments and agencies of the state government.

The commissioner of administration shall charge the department of transportation and the iron range resources and rehabilitation board for engineering services performed on behalf of these agencies.

State Agency Services
\$ 1,534,600 \$ 1,561,500

The commissioner of administration may lease portions of the federal surplus property building not needed for that activity to any state agency or activity. Notwithstanding the provisions of any other law to the contrary, all moneys collected shall be deposited into the surplus property revolving fund and are reappropriated for the purposes of that fund.

1982
\$

1983
\$

Any unexpended balance of the \$61,500 appropriated in Laws 1979, Chapter 333, Section 18, for the reduction of obligations shall remain available for expenditure as provided in that section through June 30, 1982. If the surplus property revolving fund is abolished prior to June 30, 1982, any portion of the \$61,500 that is outstanding shall be immediately returned to the general fund.

Public Services

\$ 2,862,700 \$ 3,867,900

The handicapped accessibility function in the state building code activity shall be continued at the fiscal year 1981 level.

\$47,832 the first year and \$52,615 the second year is for the state contribution to the National Conference of State Legislatures.

\$32,000 the first year and \$34,200 the second year is for expenses of the Citizens Advisory Task Force on the Boundary Waters Canoe Area.

\$240,000 the first year and \$240,000 the second year is for block grants to public television stations.

\$100,000 the first year and \$100,000 the second year is for matching grants to public television stations.

\$125,000 the first year and \$125,000 the second year is for grants to public radio stations pursuant to Minnesota Statutes, Section 139.19.

Any unencumbered balance remaining in the first year for grants to public television or radio stations does not cancel but is available for the second year of the biennium.

\$4,000 the first year and \$4,000 the second year is for the state employees' band.

COFARS shall be a priority for IISAC.

General Support

\$ 947,400 \$ 958,100

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 senate and the committee on appropriations of the house of representatives.

	1982	1983
	\$	\$
General Reduction		
(\$ 451,300) (\$ 504,500)		

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

Sec. 19. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	80,100	82,700
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Approved Complement - 2

Projects that are within the area under the jurisdiction of the capitol area architectural and planning board and are funded in total with federal money shall not be approved by the governor until a recommendation is received from the legislative advisory commission.

Sec. 20. FINANCE

General Operations and Management	5,707,100	5,877,800
	1982	1983
Approved Complement -	127	124

The amounts that may be expended from this appropriation for each program are as follows:

Financial Operations		
\$ 3,614,900 \$ 3,701,900		
Budget and Control		
\$ 1,055,200 \$ 1,139,600		
Financial Management		
\$ 421,400 \$ 426,500		
General Support		
\$ 643,200 \$ 665,300		

\$48,200 the first year and \$52,500 the second year is for the state contribution to the Council of State Governments.

\$7,400 the first year and \$7,400 the second year is for the expenses of the Interstate Cooperation Commission.

General Staff Reduction		
(\$ 27,600) (\$ 55,500)		

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appro-

	1982	1983																														
	\$	\$																														
<p> appropriated for general operations and management for that year.</p> <p> 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> <p> Sec. 21. EMPLOYEE RELATIONS</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 60%;">General Operations and Management</td> <td style="width: 20%; text-align: right;">3,194,200</td> <td style="width: 20%; text-align: right;">3,263,800</td> </tr> <tr> <td>Approved Complement -</td> <td style="text-align: right;">111</td> <td></td> </tr> <tr> <td> General -</td> <td style="text-align: right;">103</td> <td></td> </tr> <tr> <td> Special -</td> <td style="text-align: right;">7</td> <td></td> </tr> <tr> <td> Federal -</td> <td style="text-align: right;">1</td> <td></td> </tr> </tbody> </table> <p> The amounts that may be expended from this appropriation for each program are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 60%;">Personnel Technical Services</td> <td style="width: 20%; text-align: right;">\$ 1,187,900</td> <td style="width: 20%; text-align: right;">\$ 1,215,300</td> </tr> <tr> <td>Human Resource Improvement</td> <td style="text-align: right;">\$ 657,800</td> <td style="text-align: right;">\$ 675,100</td> </tr> </tbody> </table> <p> Each state department shall have a plan approved by the commissioner of personnel to use 50 percent of its training money, or the same percentage of its training money that its schedule "C" civil service employees are of its total number of departmental employees, whichever is less, for special career training programs for schedule "C" civil service employees. The money shall be used only for this purpose.</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 60%;">Labor Relations</td> <td style="width: 20%; text-align: right;">\$ 478,200</td> <td style="width: 20%; text-align: right;">\$ 486,400</td> </tr> <tr> <td>Administration and Special Services</td> <td style="text-align: right;">\$ 919,000</td> <td style="text-align: right;">\$ 936,700</td> </tr> </tbody> </table> <p> Included in the appropriation for the first year is \$31,300 for completion of the two-year job sharing pilot program. This amount is not subject to the general reduction.</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 60%;">General Reduction</td> <td style="width: 20%; text-align: right;">(\$ 48,700)</td> <td style="width: 20%; text-align: right;">(\$ 49,700)</td> </tr> </tbody> </table> <p> The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.</p>	General Operations and Management	3,194,200	3,263,800	Approved Complement -	111		General -	103		Special -	7		Federal -	1		Personnel Technical Services	\$ 1,187,900	\$ 1,215,300	Human Resource Improvement	\$ 657,800	\$ 675,100	Labor Relations	\$ 478,200	\$ 486,400	Administration and Special Services	\$ 919,000	\$ 936,700	General Reduction	(\$ 48,700)	(\$ 49,700)		
General Operations and Management	3,194,200	3,263,800																														
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General Reduction	(\$ 48,700)	(\$ 49,700)																														

1982 1983
\$ \$

The commissioner of employee relations 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. 22. REVENUE

General Operations and Management	27,220,400	27,633,200
1982 1983		
Approved Complement - 948 942		

The complement number includes 30 unfunded positions.

The amounts that may be expended from this appropriation for each program are as follows:

Revenue Management	\$ 8,125,300	\$ 8,282,700
Income, Sales, and Use Tax Management	\$14,745,900	\$15,207,300

During the biennium ending June 30, 1983, the commissioner of revenue shall establish within the department of revenue a special project to be known as "Project Fair Share." The project shall attempt to locate individuals who have unreported or underreported Minnesota income or have not filed a Minnesota income tax return; to locate corporations doing business in Minnesota which have unreported or underreported Minnesota income or failed to file a Minnesota income tax return; to locate estates that have unreported or underreported Minnesota income or whose personal representatives have failed to file a Minnesota income tax return; to locate Minnesota residents who attempt to evade Minnesota income taxes by establishing a false residency in another state; and to locate any other cases in which any tax owed to the state is unpaid or underpaid. Personnel operating the project shall then take appropriate action to obtain payment of the taxes, interest, and penalty, and to seek criminal or civil action in appropriate cases.

The commissioner of revenue shall report to the chairman of the senate finance committee and the chairman of the house of representatives appropriations committee by March 1, 1983. The report shall state the amount of taxes recovered as a result of Project Fair Share, a breakdown of the various groups of cases and taxes recovered by group, the total cost of the project, and other

	1982	1983
	\$	\$
relevant information requested by either chairman or suggested by the commissioner.		
Property and Special Taxes Management	\$ 4,514,000	\$ 4,461,400
Assessors Board	\$ 118,200	\$ 126,900
General Staff Reduction	(\$ 156,400)	(\$ 314,500)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

No more than one-half of the general staff reduction shall be in the tax payers assistance project.

General Reduction
(\$ 126,600) (\$ 130,600)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

None of the appropriation for the development of computer systems shall be expended until the commissioner of revenue has submitted to the legislature a report on the actions taken to correct the management and performance deficiencies identified in the legislative auditor's program evaluation and a plan for the development of new computer systems and has received the recommendations of the chairmen of the committee on finance of the senate and the committee on appropriations of the house of representatives on the report and the plan.

When projects for computer systems have been approved in writing by the commissioner of revenue, the commissioner may cause funds to be encumbered in the state accounting system and the encumbered funds shall not cancel at the end of the fiscal year but shall be available for the approved project only, for a period not exceeding one year or until the approved project has been completed, whichever is shorter.

1982 1983
\$ \$

After the commissioner of revenue begins to expend the appropriation, he shall prepare a report every three months describing the progress made and the money expended in developing computer systems. The report shall be submitted to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The commissioner of revenue with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfer shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 23. AGRICULTURE

General Operations and Management

14,881,900 11,460,900

1982 1983

Approved Complement -	514	496
General -	233	215
Special/Revolving -	265	265
Federal -	16	16

The amounts that may be expended from this appropriation for each program are as follows:

Agricultural Protection Service
\$ 5,574,700 \$ 3,620,400

\$2,000,000 the first year shall be transferred to the grain inspection account as working capital, and shall be repaid from the grain inspection account when inspection fee receipts permit. At least \$1,000,000 shall be repaid by June 30, 1982, and the remainder by June 30, 1983.

The commissioners of agriculture and finance shall review the fees for all inspections, licenses and audits administered by the commissioner of agriculture. The commissioners shall make recommendations on the appropriate fee levels, the time interval upon which the fee levels should be reassessed, and the need for statutory changes to update fees on a timely basis. These recommendations shall be submitted to the committees on agriculture and appropriations in the house of representatives and to the committees on agriculture and environment and finance in the senate by January 1, 1982.

Agricultural Promotion
\$ 2,786,000 \$ 3,506,200

1982

1983

\$

\$

\$111,700 the first year and \$115,800 the second year is from the commodities research and promotion account in the special revenue fund.

\$2,100,000 the first year and \$2,800,000 the second year is for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Administration and
Financial Aids Service

\$ 6,686,800 \$ 4,667,300

\$335,000 the first year and \$335,000 the second year is for aid to county and district agricultural societies.

Of this amount, \$4,500 the first year and \$4,500 the second year is for livestock premiums to county fair associations for carrying on boys' and girls' club work.

This amount shall be disbursed according to Minnesota Statutes, Section 38.02.

Out of this amount, \$1,000 the first year and \$1,000 the second 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.

\$10,000 the first year and \$10,000 the second year is for payment of claims relating to livestock damaged by endangered animal species.

\$4,536,300 the first year and \$2,463,700 the second year is for the shade tree disease control program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

General Staff Reduction

(\$ 165,600) (\$ 333,000)

The amounts appropriated for the several programs and activities each year shall be reduced

by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The commissioner of agriculture with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 24. BOARD OF ANIMAL HEALTH

	1982	1983
	\$	\$
General Operations and Management	1,280,300	1,314,500
Approved Complement -	40	

This appropriation includes \$40,000 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. 25. NATURAL RESOURCES

General Operations and Management	67,565,600	69,351,300
Approved Complement -	1589	
General -	982	
Special -	28	
Game and Fish -	504	
Federal -	73	
Gifts -	2	

Of this appropriation, \$41,878,900 for the first year and \$43,031,900 for the second year are from the general fund; \$500,000 the first year and \$500,000 the second year is from the consolidated conservation area account in the special revenue fund; \$700,000 each year is from the nongame wildlife management account in the special revenue fund; \$2,400,500 each year is from the parks maintenance and operations account in the special revenue fund; and \$22,086,200 the first year and \$22,718,900 the second year are from the game and fish fund, including \$549,400 the first year and \$535,600 the second year pursuant to Minnesota Statutes, Section 296.421, Subdivision 4.

The amounts that may be expended from this appropriation for each program are as follows:

Administrative Management Services	\$ 4,969,100	\$ 5,114,600
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1982

1983

\$

\$

\$1,687,000 the first year and \$1,765,100 the second year is from the game and fish fund.

\$275,000 the first year and \$275,000 the second year is for boating safety.

\$150,000 the first year and \$150,000 the second year is for the Minnesota environmental education board.

Regional Administration

\$ 3,103,300 \$ 3,144,000

\$621,000 the first year and \$628,900 the second year is from the game and fish fund.

Field Services Support

\$ 4,615,700 \$ 4,981,000

\$1,384,700 the first year and \$1,494,300 the second year is from the game and fish fund.

Water Resources Management

\$ 3,176,400 \$ 3,287,100

\$200,000 the first year and \$200,000 the second year is for water bank leases and is from the game and fish fund.

Mineral Resources Management

\$ 2,152,600 \$ 2,209,400

\$246,800 the first year and \$256,100 the second year is for mineland reclamation.

\$256,300 the first year and \$274,300 the second year is for peat inventory or studies.

Forest Management

\$14,034,700 \$14,443,500

\$500,000 the first year and \$500,000 the second year is from the consolidated conservation areas account in the special revenue fund.

\$340,000 the first year and \$358,700 the second year is for emergency fire fighting. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. Except on an emergency basis, no part of this appropriation shall be expended for contracts for standby air tankers until the department has attempted to make similar arrangements for the use of air national guard tankers.

\$3,750,000 the first year and \$3,750,000 the second year is to implement the federal Boundary Waters Canoe Area legislation and is available only to match federal money on a basis of 80 percent federal, 20 percent state, provided that no more than \$250,000 the first year and

	1982	1983
	\$	\$
<p>\$240,000 the second year may be expended prior to the appropriation of federal funds. If the federal reimbursement is appropriated, the state appropriations are available until September 30, 1982 and September 30, 1983 respectively. The federal reimbursement shall be deposited in the general fund.</p>		

Fish Management

	\$ 6,185,200	\$ 6,310,000
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Except for \$47,500 the first year and \$28,000 the second year from the general fund for acid rain, this appropriation is from the game and fish fund.

Wildlife Management

	\$ 7,258,300	\$ 7,397,900
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This appropriation is from the game and fish fund.

\$300,000 the first year and \$300,000 the second year is for deer habitat improvement.

\$810,000 in the first year and \$818,000 the second year is for payments to counties in lieu of taxes.

\$1,125,000 the first year and \$1,125,000 the second year is from the wildlife acquisition account for the acquisition and development of wildlife management areas.

\$700,000 the first year and \$700,000 the second year is from the nongame wildlife management account.

\$40,000 the first year and \$40,000 the second year is a supplement for the voluntary adult hunter education program.

Ecological Services

	\$ 697,400	\$ 706,300
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\$348,700 the first year and \$353,200 the second year is from the game and fish fund.

Parks and Recreation Management

	\$ 8,510,600	\$ 8,591,100
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\$2,400,500 the first year and \$2,400,500 the second year is from the parks maintenance and operations account.

\$163,500 the first year and \$163,500 the second year is for the program to employ needy elderly persons in the maintenance and operation of state parks.

\$63,000 the first year and \$63,000 the second

1982

1983

\$

\$

year is for scientific and natural areas.

\$24,000 the first year and \$24,000 the second year is for payments in lieu of taxes on lands in Voyageurs national park and St. Croix Wild River state park. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Soil and Water Conservation Board

\$ 2,873,000 \$ 2,880,300

\$425,000 the first year and \$425,000 the second year is for general purpose grants in aid to soil and water conservation districts.

\$225,800 the first year and \$225,000 the second year is for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

\$1,585,000 the first year and \$1,585,000 the second year is for grants to soil and water conservation districts for cost sharing contracts for erosion control and water quality management. Priority shall be given to projects designed to solve lakeshore, stream bank, and roadside erosion.

\$246,300 the first year and \$246,300 the second year is for grants in aid to soil and water conservation districts and local units of government to assist them in solving sediment and erosion control problems. Grants shall not exceed 50 percent of total project costs or 50 percent of the local share if federal money is used. Priority shall be given to projects designed to solve lakeshore, stream bank, and roadside erosion and to projects eligible for federal matching money.

\$92,000 the first year and \$92,000 the second year is for grants to soil and water conservation districts for review and comment on water permits.

Enforcement

\$ 6,891,100 \$ 7,040,800

\$1,000,000 the first year and \$1,000,000 the second year is for grants to counties for boat and water safety.

\$4,712,900 the first year and \$4,832,600 the second year is from the game and fish fund, provided that if the investment income on balances credited to the game and fish fund during the first year is less than \$700,000, the appro-

1982 1983
\$ \$

priation for the second year from the game and fish fund is \$4,530,600.

The appropriation from the game and fish fund includes \$20,000 the first year and \$20,000 the second year 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 sanitation, and public information and education. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Planning and Research

\$ 389,500 \$ 396,100

Youth Employment

\$ 410,800 \$ 428,600

The department shall insure that youths in all parts of the state shall have an equal opportunity for employment. The youth conservation corps shall provide service for the various DNR disciplines including parks, forestry and stream improvement.

\$100,000 the first year and \$100,000 the second year shall be used for planting, timber stand improvement, and forest development on state owned lands, other than trust fund lands, for forestry purposes.

Trails and Waterways Management

\$ 2,297,900 \$ 2,420,600

\$232,200 the first year and \$240,800 the second year is for development and maintenance of canoe and boating routes.

\$923,700 the first year and \$993,400 the second year represents unrefunded gas taxes paid for snowmobiles and shall be used for acquisition, development, and maintenance of recreational trails and for related purposes.

An amount not to exceed \$50,000 of all money deposited in the general fund pursuant to Minnesota Statutes, Section 84.58, Subdivision 8, during the biennium ending June 30, 1981, is appropriated to the commissioner of natural resources for the purposes of paying expenses relating to receiving, processing, and analyzing permits applied for under sections 84.57 to 84.621, and inspecting and monitoring activities authorized by the permits. All money so appropriated is available until expended.

1982 1983
\$ \$

\$435,900 the first year and \$464,900 the second year is from the game and fish fund for public access and lake improvements.

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. 26. ZOOLOGICAL BOARD

General Operations and Management	5,209,300	5,255,500
Approved Complement -	162.5	
General -	146	
Special -	16.5	

The amounts that may be expended from this appropriation for each program are as follows:

Visitor Programs
\$ 1,238,900 \$ 1,282,900

Zoo Ride

All receipts from the operation of the zoo ride shall be deposited in a special account in the state treasury. All receipts from the zoo ride are appropriated and available until June 30, 1983 for the purposes of the zoo ride. These receipts are the only money appropriated for zoo ride operating expenses or debt service.

Biological Programs
\$ 1,301,100 \$ 1,330,200

Management Services
\$ 360,800 \$ 366,300

Two positions shall be moved from the unclassified to the classified service.

Physical Facilities
\$ 2,308,500 \$ 2,276,100

\$100,000 the first year and \$100,000 the second year is for a major maintenance reserve fund. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

The director of the Minnesota zoological garden with the approval of the commissioner of finance may transfer unencumbered balances among the above programs, except that he shall make no transfer into the zoo ride program.

1982 1983

\$ \$

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 \$3.50 for adults, age 17-61; \$1.75 for senior citizens, age 62 and over; \$1.75 for juniors age 12-16, \$1.25 for children ages 6-11 and free for children 5 and under.

The Minnesota zoological garden board shall work with the Como zoo and the Como zoological society of the city of St. Paul to develop and adopt a joint position statement regarding cooperative programs at the two facilities. The statement shall include plans to promote complementary exhibits and to develop a process for continued coordination. The statement shall be submitted to the committees on appropriations in the house of representatives and finance in the senate by January 1, 1982.

Sec. 27. WATER RESOURCES BOARD . . .	103,200	105,400
Approved Complement - 3		

Sec. 28. POLLUTION CONTROL AGENCY		
General Operations and Management	6,273,600	6,127,300
1982 1983		
Approved Complement -	381	374
General -	175.5	168.5
Federal -	205.5	205.5

The amounts that may be expended from this appropriation for each program are as follows:

Water Pollution Control	
\$ 2,416,400	\$ 2,470,100
Air Pollution Control	
\$ 699,800	\$ 706,800

\$25,000 the first year and \$25,000 the second year is for special studies. 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. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$56,600 the first year and \$58,700 the second year is for the acid rain study.

	1982	1983
	\$	\$
Solid Waste Pollution Control		
\$ 729,800	\$ 1,014,200	

\$300,000 the first year and \$300,000 the second year is for grants to counties for planning and demonstration grants.

\$375,000 the first year is for enforcement assistance grants to local governments.

The agency shall reinstate the packaging program.

Regional Support		
\$ 514,700	\$ 525,300	

General Support		
\$ 1,977,300	\$ 1,540,400	

\$450,000 the first year is for environmental impact statements on candidate hazardous waste disposal sites. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

General Staff Reduction		
(\$ 64,400)	(\$ 129,500)	

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The health department shall continue to render staff services the agency requires from time to time through health's division of environmental health. The health department shall be reimbursed from the appropriation for general support for this cost.

The director of the pollution control agency with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose 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. 29. WASTE MANAGEMENT		
BOARD	1,400,400	1,357,100
Approved Complement -	20	
General -	14	
Bond Fund -	6	

\$210,000 the first year and \$120,000 the second

	1982	1983
	\$	\$
<p>year is for grants to counties and local project review committees for their participation in the siting process.</p>		
<p>Sec. 30. ENERGY, DEVELOPMENT AND PLANNING</p>		
General Operations and Management	11,208,700	9,637,350
Approved Complement -	249	
General -	161	
Federal -	86	
Revolving -	2	
Planning		
\$ 3,882,750	\$ 3,882,750	

The following functions are included in this program: planning for crime control, human resources, physical planning, developmental disabilities, program review, health and critical areas; land management information center; state demographer; EQB administration; power plant studies; and environmental impact statement preparation.

\$99,000 each year is for criminal justice planning and grants administration, including expenses for the crime control planning board.

\$75,000 each year is for criminal justice grants and administration and shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to Minnesota Statutes, Section 3.30.

\$250,000 each year is for grants for youth intervention programs.

\$101,000 each year is for a grant to the environmental conservation library (ECOL).

\$261,000 each year is for the service bureau of the land management information center.

Community Development
 \$ 2,923,550 \$ 1,665,000

The following functions are included within this program: technical assistance, fiscal studies, planning assistance grants, small business assistance, business and community contact, international trade, grants and loans, and Indian business loans.

\$87,000 each year is for a grant to the Duluth Port Authority.

\$215,000 each year is for community development corporations.

	1982	1983
	\$	\$

\$959,000 the first year and \$479,500 the second year is for regional planning grants.

\$300,000 the first year and \$150,000 the second year is for land use planning grants to local governments.

The payment of \$300,000 to the Arrowhead regional development commission made in 1979 by action of the legislative advisory commission upon request of the state planning agency shall be repaid by the Arrowhead commission through the performance by the Arrowhead commission of community and economic development projects. Beginning in fiscal year 1982, \$75,000 of the appropriation authorized under Minnesota Statutes, Section 462.396 shall be committed for the purposes of this repayment and shall continue to be committed in succeeding fiscal years until the sum of the original payment is reached. Proposed community and economic development projects for which this funding will be utilized will be specified by the Arrowhead commission in a detailed work program contained within the annual work program required under section 462.396. This detailed work program shall be submitted to the legislative commission on Minnesota resources annually for approval prior to the expenditure of any monies provided in this section. The work program and any progress reports shall be in the form determined by the legislative commission on Minnesota resources.

\$42,500 each year is for a grant to the government training service.

Tourism

\$ 1,293,300	\$ 1,306,800
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\$600,000 each year is for tourism advertising and promotion.

\$350,000 each year is for tourism grants.

Energy

\$ 2,154,100	\$ 1,826,500
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\$300,000 in the first year is for district heating preliminary planning grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipi-

	1982	1983
	\$	\$

pality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining community commitment for detailed planning or design and preparation of a final report. The amount of a grant shall be limited to 90 percent of eligible planning costs and shall not exceed \$20,000.

The director of the energy agency shall prepare and submit to the legislative advisory commission a list of district heating grant requests. The list shall contain the necessary supporting information. The recommendation of the legislative advisory commission shall be transmitted to the governor. The governor shall approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. The grants may be disbursed only upon approval by the governor.

\$130,000 the first year and \$70,000 the second year is for a superinsulated home demonstration project. Grants from this appropriation are available only when matched from private resources on a dollar for dollar basis.

General Support

\$ 955,000		\$ 956,300
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In the first year the amount for each agency prior to the merger of the four agencies is as follows:

Crime Control Planning Board

\$ 100,000

State Planning Agency

\$ 325,000

Economic Development

\$ 330,000

Energy Agency

\$ 200,000

When the merger occurs, any unexpended balances from the above appropriation are available to the merged department for the purposes of general support.

The commissioner shall present a complete budget and staffing plan to the committees on finance in the senate and appropriations in the house by September 1, 1981.

Sec. 31. NATURAL RESOURCES ACCELERATION

	1982	1983
	\$	
Subdivision 1. General Operations and Management	15,315,000	12,821,000

Approved Complement - 133

The amounts that may be expended from this appropriation for each activity are more specifically described in the following subdivisions of this section.

For all appropriations in this section, except as otherwise specifically provided, if the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 2. Legislative Commission on Minnesota Resources	238,000	237,000
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The commission shall during the 1981-1983 biennium review the work programs and progress reports required under 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.

Subd. 3. State Planning Agency	4,580,000	4,359,000
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Approved complement - 16

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Land Use Change		
\$ 65,000	\$	65,000

Approved Complement - 2

To complete a pilot program to develop rapid and inexpensive procedures to update the land use information. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(b) Outdoor Recreation Act Implementation		
\$ 37,000	\$	37,000

Approved Complement - 1

For the agency review process required in Minnesota Statutes, Chapter 86A.

(c) Local Significance Contingency		
\$ 2,000,000	\$	2,000,000

This appropriation is available to pay up to 50

1982
\$

1983
\$

percent of the total cost or 50 percent of the local share if federal matching money are used, of long term lease, acquisition and development of 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 is \$200,000.

\$1,000,000 the first year and \$1,000,000 the second year is 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.

(d) Regional Significance Contingency
\$ 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 if federal matching money 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 and special units of government authorized to acquire, maintain and operate recreational and natural areas.

\$1,000,000 the first year and \$1,000,000 the second year 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 the first year and \$1,000,000 the second year, from this appropriation shall be transferred to the metropolitan council to pay

	1982	1983
	\$	\$

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. If a balance remains on July 1, 1982, then the remainder of the appropriation may be made available for either local or regional significance grants.

(e) Grant Administration

Approved Complement - 6

Up to \$185,000 the first year and \$185,000 the second year of the amounts appropriated in the above paragraphs for local and regional significance grants is available for grant administration.

(f) Soils and Topographic Data

Computerization

\$ 50,000	\$ 40,000	
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Approved Complement - 1

To incorporate topographic information into the land management information system and determine the most productive ways to incorporate soils information.

(g) Public Land Records

\$ 150,000	\$ 149,000	
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Approved complement - 2

In conjunction with the department of natural resources and in cooperation with the historical society and administration department, develop a comprehensive land ownership system. Of this amount, \$105,000 is to preserve original land records of the department of natural resources. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

	1982	1983
	\$	\$

(h) Computer Work Station
 \$ 210,000 \$ -0-

Approved Complement - 1

To augment the present computer equipment to accommodate increased levels of service demanded by state agencies and other clientele.

(i) Information and Data Exchange
 \$ 68,000 \$ 68,000

Approved Complement - 3

To complete the centralized source index for natural resource information.

Subd. 4. Department of Natural Resources	\$6,466,000	\$6,022,000
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Approved Complement - 96

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Floodwater Retention Assistance
 \$ 534,000 \$ 534,000

Approved Complement - 1

To assist the lower Red River watershed management board by providing up to 50 percent of the non-federal share of the cost of projects approved by the board for floodwater retention in the jurisdiction of the board. All available local, state, federal and private sources shall be requested to provide financial assistance. Of this amount, up to \$34,000 the first year and \$34,000 the second year is available for the biennium to the department for staff and essential equipment, and \$87,500 the first year and \$87,500 the second year is available for watershed planning and related activities on the same cost sharing basis. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(b) Koochiching County Ditch Investigation
 \$ 35,000 \$ -0-

The department may contract for consulting services to determine the basis for state share of ditch repair costs and shall recommend a proposed policy for ditch repair where state land is involved.

(c) Regional Water Data Network
 \$ 34,000 \$ 33,000

1982

1983

\$

\$

Approved Complement - 1

To train employees, establish, and test a state-wide data system through regional offices. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(d) Shoreland Update

\$ 119,000 \$ 119,000

Approved Complement - 2

The department shall provide an update to the 1969 shoreland study, assess the current management program and assist counties by making the data accessible to all levels of government. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(e) Wild and Scenic Rivers Operations

\$ 58,000 \$ 58,000

Approved Complement - 2

The department shall assist local units through technical and administrative support to implement the wild and scenic rivers program.

(f) Rainy River Navigation Improvement

\$ 88,000 \$ -0-

The department shall provide a grant to Lake of the Woods county to remove pilings and to disburse rock cribs in the river.

(g) Hydroelectric Pilot Plant

\$ 250,000 \$ -0-

For the design and engineering phase of hydro-power redevelopment of the Kettle River dam.

(h) Geological Test Drilling Equipment Augmentation

\$ 75,000 \$ -0-

To improve the applicability of existing state owned drilling equipment by adding tools and equipment designed for deep hole boring, as required by the joint project between department of transportation, Minnesota geologic survey and department of natural resources.

(i) Forest Resource Plan

\$ 355,000 \$ 355,000

	1982	1983
	\$	\$

Approved complement - 8

To prepare a forest resources plan and develop a management information system, including the appropriate land suitability analyses and program budgets. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(j) Accelerate Private Forest Management

\$ 330,000	\$ 330,000
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Approved Complement - 10

To provide increased technical management assistance to private nonindustrial forest land owners throughout the state, and, in cooperation with the soil and water conservation board, encourage landowners to apply for available federal cost sharing assistance for implementation of practices. Of this amount, \$60,000 the first year and \$60,000 the second year is available for a pilot project in the seven counties within the Richard J. Dorer memorial hardwood forest to provide up to 50 percent of the nonfederal share of the costs of implementing forestry practices which are eligible for federal cost sharing assistance. After October 1, 1982, the unused portion for the pilot project may also be used for cost sharing assistance in other areas of the state as indicated by landowner interest and request.

(k) Accelerate Phase II Inventory

\$ 367,000	\$ 367,000
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Approved Complement - 10

To accelerate the inventory in Beltrami state forest, Aitkin and Pine counties. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(l) Fire Management Analysis

\$ 85,000	\$ 85,000
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Approved Complement - 6

To analyze fire management in the balance of the state and determine methods for internal savings and improved management.

(m) Pulpwood Weight Study

\$ 150,000	\$ 150,000
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Approved Complement - 6

	1982	1983
	\$	\$

The department shall establish uniform cord weights for jack pine, tamarack, balsam fir and balsam poplar after sufficient research and measurement. The department shall provide a comparison between consultation and staff performance of this project, prior to work program approval.

(n) Forest Soil Specialization
 \$ 66,000 \$ 66,000

Approved Complement - 3

To improve efficiency of management by providing technical soil interpretation to field foresters and planners. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(o) Wildlife Area Inventory
 \$ 73,000 \$ 74,000

Approved Complement - 1

To complete the data collection and recording on the remaining wildlife management areas. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(n) Park Development
 \$ 2,304,000 \$ 2,304,000

Approved Complement - 14

To accelerate development in state parks and recreation areas. \$1,225,000 the first year and \$1,225,000 the second year is from the state park development account in the special revenue fund. \$150,000 of this amount represents the balance of the appropriation made in Laws of 1977, Chapter 455, Section 28 for Lake Bronson park, which is cancelled.

Eighty percent of this appropriation shall be spent on projects which qualify for federal reimbursement, grant or match. Expenditures shall be for major rehabilitation and new capital improvement. Up to 15 percent may be spent for professional services.

(o) Outdoor Recreation Act
 Implementation
 \$ 350,000 \$ 350,000

Approved Complement - 17

To conduct the master planning and other activ-

	1982	1983
	\$	\$

ities required by Minnesota Statutes 1980, Chapter 86A.

Of this amount, \$250,000 the first year and \$250,000 the second year and 12 staff complement are for parks planning.

Of this amount, \$100,000 the first year and \$100,000 the second year and five staff complement are for rivers planning to prepare management plans, assist initial implementation of approved plans, oversee acquisition and develop a plan update process. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(p) Minnesota Natural Heritage Program

\$ 87,000	\$	88,000
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Approved Complement - 2

To continue development and application of the integrated data system in order to expedite state land inventories and improve environmental assessment and decision making, and for planning scientific and natural areas required by Minnesota Statutes 1980, Chapter 86A. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(q) River Planning

\$ 80,000	\$	80,000
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The department shall administer a grant to the upper Mississippi headwaters board, if it is created in 1981 law, of up to 50 percent of the cost of implementing the plan.

(r) Natural Resource Policy Development

\$ 138,000	\$	138,000
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Approved Complement - 4

To continue accelerated efforts in developing administrative resource management policies, strategies and recommendations for more effective management and policy analysis.

(s) Land Resource and Management Plan

\$ 238,000	\$	238,000
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Approved Complement - 4

To initiate a program to assess the relative suit-

	1982	1983
	\$	\$

Approved Complement - 6

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Special Peat Energy Project
 \$ 57,000 \$ -0-

To organize state efforts, and develop a grant proposal for future peat or biomass demonstration projects. Federal and private money which may become available is appropriated.

(b) Wind Energy Monitoring
 \$ 44,000 \$ -0-

Approved Complement - 1

To design and implement a wind monitoring system.

(c) Hydropower Redevelopment Coordination
 \$ 14,000 \$ 14,000

Approved Complement - 1

To coordinate the activities of the St. Anthony Falls hydraulics laboratory and the department of natural resources in hydropower activities.

(d) Bagley District Heating
 \$ 400,000 \$ -0-

To provide technical support by the agency and a grant of \$380,000 conditional upon the city of Bagley match of \$30,000, to finance the required engineering design phase preparatory to the city seeking full scale development financing for a wood residue fueled district heat system.

(e) Industrial Cogeneration Potential
 \$ 38,000 \$ 39,000

To assess the potential for industrial cogeneration of electricity and thermal energy and review the state role in cogeneration issues.

(f) Combustion Turbine Capacity
 \$ 42,000 \$ 43,000

Approved Complement - 1

To review the under used potential and the prospects for modification of existing combustion turbines statewide, including alternative fuel use.

(g) Energy Impact Analysis
 \$ 37,000 \$ 38,000

Approved Complement - 1

To continue assessment of the economic costs

1982 1983
\$ \$

and benefits associated with alternative energy development.

(h) Solar Performance Monitoring
\$ 73,000 \$ 73,000

Approved Complement - 2

To collect, analyze and report information on conventional and low cost solar domestic hot water heaters, passive solar superinsulated homes, and to compare relative performance.

Subd. 8. University of Minnesota 2,331,000 1,263,000

(a) Accelerated Soil Survey
\$ 889,000 \$ 889,000

To continue the survey for the fourth biennium of a six biennium effort to provide the appropriate detailed soil survey on all lands, based upon the adopted cost share formula between counties, state and federal ownership ratios. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(b) Aeromagnetic Survey
\$ 818,000 \$ -0-

To acquire aeromagnetic survey information for the second biennium of a four biennium effort. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(c) Geology of Southeast Minnesota
\$ 30,000 \$ 30,000

To determine subsurface drainage and hydrology, and evaluate the impact of land practices.

(d) Environmental Technology
\$ 244,000 \$ 244,000

To investigate technical solutions to environmental problems identified with current industrial processes and determine the appropriate future level of effort which may be necessary.

(e) Cement Project Equipment
\$ 250,000

To purchase research equipment needed for experiments with novel cement production techniques.

	1982	1983
	\$	\$
(f) Hydropower Technology		
\$ 100,000	\$ 100,000	

To determine the full potential for hydropower development at existing sites, investigate and recommend procedures to deal with environmental impacts and to develop improved hydropower technology.

Subd. 9. Historical Society	75,000	75,000
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Approved Complement - 4

For the final effort to develop an archeologic data base which is compatible with the Minnesota land management information system. The society shall publish reports on the location, characteristics and significance for preservation of archeologic sites which will serve to eliminate the delays in environmental assessments and impact statements. Confidentiality and disclosure requirements shall be observed concerning publication of the reports.

Subd. 10. 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 semi-annual 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. Upon request from the commission the agency head shall submit an evaluation by July 1, 1982 as to whether the program should be incorporated in the next agency budget.

Subd. 11. Complement Temporary

Persons employed by a state agency and paid by an appropriation in this section are in the unclassified civil service and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been expended, their positions shall be cancelled and the approved complement of the agency reduced accordingly.

Subd. 12. Natural Resources Federal Reimbursement Account	500,000	500,000
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This appropriation is from the natural resources federal reimbursement account. The commission may engage in a soil erosion sedimentation study, and a report on the 20 year history of the

	1982	1983
	\$	\$
commission.		
Sec. 32. LABOR AND INDUSTRY		
General Operations and Management	7,587,900	7,442,200
Approved Complement -	1982	1983
	262	262.5
General -	220.5	219.8
Federal -	36.5	37.7
Special -	5.0	5.0

The amounts that may be expended from this appropriation for each program are as follows:

Employment Standards
 \$ 646,600 \$ 647,600

Workers' Compensation
 \$ 4,673,000 \$ 4,563,300

Of this appropriation, \$113,700 the first year and \$102,300 the second year are from the special compensation fund.

\$800,000 the first year and \$800,000 the second year is for reimbursement of the special compensation fund pursuant to Minnesota Statutes, Section 176.183, Subdivision 2.

The commissioner of labor and industry shall designate by July 1, 1981 a person with demonstrated proficiency in the field of workers' compensation laws, practices, and procedures as assistant commissioner to supervise the workers' compensation program.

One of the two additional paralegal positions authorized under the advocacy program shall be assigned to the Duluth office.

\$149,500 the first year and \$149,500 the second year is for payment of peace officer survivor benefits pursuant to section 352E.04. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Code Enforcement
 \$ 605,500 \$ 609,800

OSHA
 \$ 871,800 \$ 851,200

Included in this appropriation is \$61,000 the first year and \$28,000 the second year for an on-site consultation unit. The department of labor and industry is directed to seek federal match of 90 percent for the appropriation for the second year.

	1982	1983
	\$	\$
General Support		
\$ 791,000		\$ 770,300

Of this appropriation \$50,000 is for fiscal year 1982 legal costs, approved by the attorney general or his designee, related to recovery of claims against third parties.

The commissioner of labor and industry 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. 33. MEDIATION SERVICES

General Operations and Management	912,000	926,300
Approved Complement - 25.5		

Sec. 34. PUBLIC EMPLOYMENT RELATIONS BOARD

General Operations and Management	44,700	45,800
Approved Complement - 1		

Sec. 35. MILITARY AFFAIRS

General Operations and Management	4,770,600	4,834,200
	1982	1983
Approved Complement -	234	231
General -	133	130
Federal -	101	101

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	\$ 3,767,000	\$ 3,905,800
General Support	\$ 1,142,800	\$ 1,106,600

\$150,000 the first year and \$150,000 the second year is for expenses of military forces ordered to active duty pursuant to chapter 192. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

General Staff Reduction	(\$ 36,800)	(\$ 74,000)
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The amounts appropriated for the several pro-

	1982	1983
	\$	\$

grams and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

General Reduction
 (\$102,400) (\$104,200)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

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. 36. VETERANS AFFAIRS

General Operations and Management	8,619,000	8,924,100
1982 1983		
Approved Complement - 319.5 317.5		

The amounts that may be expended from this appropriation for each program are as follows:

Veterans Benefits and Services
 \$ 2,147,000 \$ 2,258,300

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Of this appropriation, \$48,000 the first year and \$48,000 the second year is for war veterans and war orphans education aid, to be expended pursuant to Minnesota Statutes, Section 197.75.

Veterans Home - Minneapolis
 \$ 4,936,700 \$ 5,152,400

Veterans Home - Hastings
 \$ 1,669,300 \$ 1,670,000

	1982	1983
\$		\$

The department of veterans affairs is directed to review the ratio of direct to indirect resident care positions at the Hastings Veterans Home and reassign staff positions to achieve the ratio recommended by the department of administration's management study or based on an independent needs assessment of the residents. The department shall report to the chairmen of the house appropriations and senate finance committees its efforts to comply with this section by February 15, 1982.

The commissioner of veterans affairs is directed to study the long-term health care needs of veterans in Minnesota and to prepare recommendations relative to further capital construction. The commissioner may utilize the findings of the united veterans legislative council, the north-west steering committee, and studies completed pursuant to Minnesota Laws 1977, Chapter 329. The department of health, the department of public welfare, the management analysis division of the department of administration, the University of Minnesota center for health services research, and the state demographer shall provide consultation assistance as requested and as resources allow. Community alternatives and the use of existing buildings may be considered. The report shall be presented to the chairmen of the veterans affairs committees and the appropriations and finance committees of the legislature by January 1, 1982.

If nondedicated receipts from the federal government and from maintenance charges for the veterans homes are less than \$4,364,700 for fiscal year 1982, and \$5,063,400 for fiscal year 1983, the commissioner of finance shall reduce the amount available to the veterans homes by the amount of the difference. The reductions shall be noted in the budget document submitted to the 73rd legislature.

The nondedicated receipt limitation in Laws 1979, Chapter 333, Section 40 for fiscal year 1981 is reduced by \$396,100.

The commissioner of veterans affairs is authorized to establish an imprest cash fund at each of the state operated residential facilities to be utilized for payment to residents participating in on-campus work programs.

Big Island Veterans Camp		
\$	16,600	\$ 17,200

1982 1983
\$ \$

The appropriation for the second year shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30. By January 15, 1982, the commissioner shall report to the chairmen of the house appropriations and senate finance committees the options considered by the department and the intended future use of the Big Island veterans camp.

General Staff Reduction
(\$ 18,400) (\$ 37,000)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

General Reduction
(\$132,200) (\$136,800)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

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. 37. INDIAN AFFAIRS			
INTERTRIBAL BOARD		185,200	189,700
Approved Complement -	7.5		
General -	6		
Federal -	1.5		
Sec. 38. COUNCIL ON BLACK			
MINNESOTANS		64,700	95,700
	1982 1983		
Approved Complement -	2 3		
Sec. 39. COUNCIL FOR THE			
HANDICAPPED		296,500	305,200
Approved Complement - 10			

The approved complement includes one clerk typist position, which shall be paid for entirely

	1982	1983
	\$	\$

within this appropriation and not eligible for any supplemental appropriation to cover increases in compensation or fringe benefits.

Sec. 40. HUMAN RIGHTS

General Operations and Management	1,107,400	1,129,500
	1982	1983
Approved Complement -	57	56
General -	43	42
Federal -	14	14

The amounts that may be expended from this appropriation for each program are as follows:

Human Rights Enforcement
 \$ 668,400 \$ 680,000

The commissioner of human rights may assign priority to the investigation of charges based on likelihood of early settlement, potential for widespread impact on discriminatory behavior, or other criteria as established by the commissioner.

Planning, Public Information and
 Administrative Services
 \$ 439,000 \$ 449,500

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.

Sec. 41. COUNCIL ON AFFAIRS OF
 SPANISH-SPEAKING PEOPLE

	87,700	89,100
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Approved Complement - 3

Notwithstanding any law to the contrary, a staff person of the council in the classified service on or before July 1, 1981, may remain in the classified service.

Sec. 42. HOUSING FINANCE AGENCY

Approved Complement - 121

Spending limit on cost of general administration of agency programs:

1982	1983
\$ 3,488,800	\$ 3,543,500

Sec. 43. TORT CLAIMS

	825,000	825,000
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To be disbursed by the commissioner of finance.
Of this amount \$400,000 the first year and

\$400,000 the second year is from the general fund, \$400,000 the first year and \$400,000 the second year is from the trunk highway fund, and \$25,000 the first year and \$25,000 the second year is from the game and fish fund.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The following amounts are appropriated from the funds listed below to reimburse the general fund in fiscal year 1981 for tort claims paid on behalf of the funds.

Trunk highway fund	\$548,627
Iron range resources	156
Highway users fund	1,655
Game and fish fund	32,271

Sec. 44. DEBT SERVICE	111,950,600	114,389,000
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For transfer by the commissioner of finance to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

Sec. 45. WORKERS' COMPENSATION

The appropriations in this act for the operation of each state department or agency, except the department of natural resources, in fiscal 1982 and 1983 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 1982 and 1983, except for the department of natural resources or as may be required by an increase in the statutory level of workers' compensation benefits.

Sec. 46. UNEMPLOYMENT COMPENSATION

The appropriations in this act for the operation of each state department or agency, except the department of natural resources, in fiscal 1982 and 1983 include amounts needed to pay unemployment compensation obligations to the unemployment compensation fund. It is the in-

	1982	1983
	\$	\$

tent of the legislature not to appropriate additional money at any future time to pay unemployment compensation obligations for fiscal 1982 and 1983, except for the department of natural resources or as may be required by an increase in the statutory level of unemployment compensation benefits.

Sec. 47. RETIREMENT	180,377,600	194,458,900
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The amounts that may be expended for each purpose are more specifically described in sections 48 to 59 of this act.

Sec. 48. MINNESOTA STATE RETIREMENT SYSTEM	3,119,500	4,482,500
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The amounts estimated to be needed for each program are as follows:

Legislators

\$ 579,000	\$ 1,755,000
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Pursuant to Minnesota Statutes, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; and 3A.11.

Judges

\$ 2,394,100	\$ 2,586,100
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\$1,774,100 the first year and \$1,951,100 the second year is pursuant to Minnesota Statutes, Section 490.123, Subdivision 1.

\$620,000 the first year and \$635,000 the second year is pursuant to Minnesota Statutes, Section 490.106.

Constitutional Officers

\$ 86,400	\$ 86,400
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Pursuant to Minnesota Statutes, Sections 352C.04, Subdivision 3; and 352C.09, Subdivision 2.

State Employee Supplemental Benefits

\$ 60,000	\$ 55,000
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Pursuant to Minnesota Statutes, Section 352.73

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 49. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION	40,000	33,000
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For supplement benefits pursuant to Minnesota Statutes, Section 353.83.

If an appropriation in this section for either year is insufficient, the appropriation for the other

	1982	1983
	\$	\$
year is available for it.		
Sec. 50. MUNICIPAL EMPLOYEES RETIREMENT FUND	4,950,000	4,950,000
To the commissioner of finance for payment to the Minneapolis municipal employees retirement fund pursuant to Minnesota Statutes, Section 422A.101, Subdivision 3.		
If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.		
Sec. 51. POLICE AND FIRE AMORTIZATION AID	6,535,800	6,535,800
To the commissioner of finance for state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations, pursuant to Minnesota Statutes, Section 423A.02. If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.		
Sec. 52. DEPARTMENT OF EDUCATION	408,900	439,800
For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.		
Sec. 53. MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM	25,500	27,400
For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.		
Sec. 54. STATE UNIVERSITY BOARD	5,030,000	5,030,000
This appropriation includes money to pay employer contributions for state university faculty members' supplemental retirement pursuant to Minnesota Statutes, Section 136.81, Subdivision 1, estimated to require \$855,000 the first year and \$855,000 the second year, and money to pay employer contributions for state university faculty members' teacher retirement pursuant to Minnesota Statutes, Section 354.43, estimated to require \$4,175,000 the first year and \$4,175,000 the second year.		
Sec. 55. STATE COMMUNITY COLLEGE BOARD	2,751,500	2,745,700
This appropriation includes money to pay employer contributions for community college faculty members' supplemental retirement pursuant		

1982 1983

\$ \$

to Minnesota Statutes, Section 136.81, Subdivision 1, estimated to require \$478,400 the first year and \$478,400 the second year, and money to pay employer contributions for community college faculty members' teachers retirement pursuant to Minnesota Statutes, Section 354.43, estimated to require \$2,273,100 the first year and \$2,267,300 the second year.

Sec. 56. DEPARTMENT OF CORRECTIONS 95,900 103,200

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.

Sec. 57. DEPARTMENT OF PUBLIC WELFARE 161,200 173,400

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.

Sec. 58. DEPARTMENT OF ECONOMIC SECURITY 11,200 12,000

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.

Sec. 59. TEACHERS RETIREMENTS 157,248,100 169,926,100

Subdivision 1. The amounts that may be expended for each purpose are more specifically described in the following subdivisions of this section:

Subdivision 1. TEACHERS RETIREMENT ASSOCIATION 76,535,100 82,855,500

The amounts estimated to be needed for each program are as follows:

Teachers Statewide
 \$76,533,100 \$82,854,000

Pursuant to Minnesota Statutes, Section 354.43.

Teachers Supplemental Benefits-1915
 \$ 2,000 \$ 1,500

Pursuant to Minnesota Statutes, Section 354.55, Subdivision 5.

Subd. 2. FIRST CLASS CITIES 17,255,900 17,979,600

To the commissioner of finance for payment to teachers retirement associations in Duluth, Minneapolis, and St. Paul, pursuant to Minnesota Statutes, Section 354A.12, Subdivision 2.

Subd. 3. TEACHERS SOCIAL

	1982	1983
SECURITY	\$ 63,457,100	\$ 69,091,000

To the commissioner of employee relations for payment to the federal government, pursuant to Minnesota Statutes, Section 355.46.

The amounts that estimated to be needed for each purpose are as follows:

Contributions		
	\$63,401,900	\$69,031,000

Costs of Administration		
	\$ 55,200	\$ 60,000

Sec. 60. GAS TAX REIMBURSEMENT ..	859,100	877,200
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This appropriation is from the highway user tax distribution fund.

The commissioner of finance shall transfer to the general fund on January 1 each year the amounts necessary 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 1981-83 biennium.

Sec. 61. [APPROPRIATIONS; CURRENT PAYROLL COSTS NOT FUNDED.]

Subdivision 1. [COST OF LIVING.] The cost of living increases covered by this subdivision are those that became effective December 31, 1980 pursuant to sections 43.12, subdivision 10 and 43.127 for classified employees, pursuant to section 43.128 for unclassified employees who are paid salaries comparable to employees in the classified service, and pursuant to action of the appointing authority for unclassified employees in the executive, judicial, and legislative branches of state government, and employees of the Minnesota historical society and academic and nonacademic employees of the University of Minnesota who are paid from state appropriations. For agencies whose request to the legislature in the governor's proposed biennial budget for 1981-83 did not include an amount to pay the annualized cost of the cost of living increases covered by this subdivision, the amounts necessary to pay those costs are appropriated from the various funds in the state treasury from which salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1982 and June 30, 1983. The amount provided by the general fund shall not exceed \$13,872,000 the first year and \$13,872,000 the second year. In the case of salaries that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

Subd. 2. [INSURANCE.] For agencies whose request to the legislature in the governor's proposed biennial budget for 1981-83 did not include an amount to pay the annualized cost of the premium rate increases effective October 1, 1980 for basic life insurance and basic health benefit coverage for eligible state employees and their dependents, the amounts necessary to pay those costs 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, 1982 and June 30, 1983. The amount provided by the

general fund shall not exceed \$2,504,000 the first year and \$2,504,000 the second year. In the case of premiums that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

Sec. 62. [APPROPRIATION; SALARY SUPPLEMENT.]

Subdivision 1. [APPROPRIATION.] The compensation and economic benefit increases covered by this subdivision are those paid to classified and unclassified employees in the executive, judicial, and legislative branches of state government, and to employees of the Minnesota historical society and academic and nonacademic employees of the University of Minnesota who are paid from state appropriations, if the increases are authorized by law during the 1981 session of the legislature or by appropriate resolutions for employees of the legislature, or are given interim approval by the legislative commission on employee relations pursuant to section 3.855 and section 43.113 or section 179.74, subdivision 5. The amounts necessary to pay compensation and economic benefit increases covered by this subdivision are appropriated from the various funds in the state treasury from which salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1982, and June 30, 1983. The amount provided by the general fund shall not exceed \$55,890,500 the first year and \$122,347,800 the second year. In the case of salaries that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

Subd. 2. [TRANSFER.] 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. 3. [UNIVERSITY OF MINNESOTA.] Money certified as needed by the University of Minnesota and transferred to it under this subdivision 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, 1983 shall be returned to the general fund.

Sec. 63. [FEDERAL BLOCK GRANT MONEYS.]

If federal moneys become available to the state for expenditure while the legislature is not in session as a result of consolidation into block grants of federal moneys previously distributed as categorical grants, one-fourth of the federal fiscal year 1982 moneys are allocated as provided by clauses (1) and (2). The balance of the moneys shall be appropriated or allocated by the legislature at its next session or as provided by Minnesota Statutes, Section 3.3005, Subdivisions 1 to 3.

(1) To the extent that the block grant moneys replace federal moneys appropriated for the preceding fiscal year which were distributed to the state, the moneys shall be allocated in proportions equal to their respective shares of the total amount of the moneys included in the governor's budget, otherwise approved pursuant to Minnesota Statutes, Section 3.3005, or authorized by law.

(2) To the extent that the block grant moneys replace federal moneys appropriated during the preceding fiscal year which were distributed directly to local governments or to nongovernmental entities, the moneys shall be allocated and distributed to the same entities and in the same proportion as the federal categorical grants were distributed during the preceding fiscal year, unless

otherwise provided by federal law. Grants for projects the funding of which terminate during the preceding fiscal year shall be subject to review by the legislature pursuant to Minnesota Statutes, Section 3.3005, subdivision 4, and if terminated, the amount of the grant shall not be considered in calculating the distributions pursuant to this clause. Distribution of these moneys shall not be subject to the provisions of Minnesota Statutes, Sections 15.041 to 15.052.

The amounts of each block grant that shall be distributed under clause (1) and clause (2) shall be in proportion to the percentage of the total amount of moneys replaced by the block grant distributed during the preceding fiscal year (a) to the state and (b) directly to local governments or nongovernmental entities.

DEPARTMENT OF ENERGY, PLANNING AND DEVELOPMENT

Sec. 64. [116J.01] [DEPARTMENT OF ENERGY, PLANNING AND DEVELOPMENT.]

Subdivision 1. [APPOINTMENT.] The department of energy, planning and development shall be supervised and controlled by the commissioner of energy, planning and development, who shall be appointed by the governor and serve under the provisions of section 15.06.

Subd. 2. [UNCLASSIFIED POSITIONS.] The commissioner may appoint a deputy commissioner and a personal secretary in the unclassified service.

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06.

Sec. 65. [116J.02] [TRANSFER OF POWERS.]

Subdivision 1. [STATE PLANNING AGENCY.] All powers, duties, and functions heretofore vested in or imposed on the state planning agency, state planning officer, or the director of planning by sections 4.10 to 4.36 or chapters 116C, 116D, 116G, or any other law relating to the duties and powers of the state planning agency are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of director of planning and the state planning agency as heretofore constituted are abolished.

Subd. 2. [ENERGY AGENCY.] All powers, duties, and functions heretofore vested in or imposed on the Minnesota energy agency or the director of the Minnesota energy agency by chapter 116H or any other law relating to the duties and powers of the director of the Minnesota energy agency are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of director of the Minnesota energy agency and the Minnesota energy agency as heretofore constituted are abolished.

Subd. 3. [DEPARTMENT OF ECONOMIC DEVELOPMENT.] All powers, duties, and functions heretofore vested in or imposed on the department of economic development or the commissioner of economic development by chapter 362 or any other law relating to the duties and powers of the commissioner of economic development are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of commissioner of economic development and the department of economic development as heretofore constituted are abolished.

Subd. 4. [POSITIONS TRANSFERRED.] Personnel positions in the state planning agency, energy agency, department of economic development and crime control planning board in the classified civil service, and temporary positions in the unclassified service established pursuant to section 43.05,

subdivision 2, clause (9), formerly assigned to functions that are transferred by this section to the department of energy, planning and development are continued and transferred to the department of energy, planning and development along with the function transferred.

Subd. 5. [BALANCES TRANSFERRED.] The unexpended balance of any appropriation to the state planning agency, the energy agency, the department of economic development, the crime control planning board, or any of their divisions or agencies is transferred to the commissioner of energy, planning and development, who shall pay all valid claims presented against those appropriations.

Subd. 6. [RECORDS TRANSFERRED.] The director of planning, the director of the energy agency, the commissioner of economic development, and the chairperson of the crime control planning board shall transfer to the commissioner of energy, planning and development all contracts, books, maps, plans, papers, records, and property of every description within his jurisdiction or control.

Subd. 7. [PROCEEDINGS CONTINUED.] Any proceeding, court action, prosecution, or other business or matter that is pending on the effective date of this section and that involved or was commenced by the director of planning, the director of the energy agency, or the commissioner of economic development may be conducted and completed by the commissioner of energy, planning and development in the same manner, under the same terms and conditions, and with the same effect as though it involved or were commenced and conducted or completed by the officer who began it.

Subd. 8. [AUTHORITY CONTINUED.] The authority of the commissioner of energy, planning and development regarding functions transferred to the commissioner by this section is a continuation of the authority of the officer from which it was transferred regarding those functions, with the same force and effect as though the functions, powers, or duties of the officer had not been assigned or transferred, and does not constitute a new authority for the purpose of succession to all rights, powers, duties, and obligations of the officer, as constituted at the time of the assignment or transfer. All rules heretofore promulgated under authority of a power, duty, or responsibility transferred by this section to the commissioner of energy, planning and development shall remain in full force and effect until amended or repealed.

Subd. 9. [PERSONNEL POSITIONS ABOLISHED.] All personnel positions formerly in the state planning agency, energy agency, or department of economic development and not transferred by this section to the department of energy, planning and development are abolished. All staff positions formerly serving the crime control planning board are abolished. Nothing in this section is intended to abrogate or modify any rights now enjoyed by affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities.

Subd. 10. [REPORT.] The commissioner shall report to the energy and housing committee and the governmental operations committee of the senate and the regulated industries and energy committee and the governmental operation committee of the house of representatives by November 15, 1981. The report shall detail recommendations on the proper organization of state-wide energy functions, including but not limited to, power plant siting and capacity, certification of need, environmental impact studies, rate setting, and the jurisdiction and role of the environmental quality board.

Subd. 11. [REPORT.] The commissioner shall report to the governmental

operations committees of the senate and the house of representatives on the reorganization authorized by this section on or before March 1, 1982.

Sec. 66. [116J.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 4.11 to 4.30; 4.35; 4.36; 116H.01 to 116H.23; 299A.03; 299A.04; and 362.12 to 362.53, the terms defined in this section have the meaning given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy, planning and development.

Subd. 3. [DEPARTMENT.] "Department" means the department of energy, planning and development.

Sec. 67. [116J.04] [ENERGY POLICY DEVELOPMENT COUNCIL.]

A council of 15 members to act in an advisory capacity on energy policy development to the commissioner is created. Members shall be appointed by the governor, with the advice and consent of the senate, one from each congressional district and seven from the state at large. The council members shall broadly represent the scientific, technical, educational, business and labor fields and at least four members shall be from educational and scientific research institutions. The council shall develop recommendations on policy for energy issues and energy needs and shall advise the commissioner on the energy related functions of the department. The commissioner shall report to the legislature on the major energy policy recommendations of the council. The council shall organize and elect among its members such other officers as it may deem necessary. The council shall meet at the call of the chair. The terms, compensation and removal of members shall be as provided by section 15.059. The council may advise the commissioner on the transfer of energy agency personnel and functions.

Sec. 68. Minnesota Statutes 1980, Section 3.922, Subdivision 1, is amended to read:

Subdivision 1. [CREATION, MEMBERSHIP.] There is created a state Indian affairs intertribal board to consist of the following ex-officio members: The governor or a member of his official staff designated by him, the commissioner of education, the commissioner of public welfare, the commissioner of natural resources, the commissioner of human rights, the commissioner of ~~economic development~~ *energy, planning and development*, the commissioner of corrections, the executive director of the Minnesota housing finance agency, the commissioner of iron-range resources and rehabilitation, and the commissioner of health each of whom may designate a member of his staff to serve in his place, three members of the state house of representatives appointed by the speaker of the house of representatives, and three members of the state senate appointed by the committee on committees of the senate. Voting members of the board shall be: the duly elected tribal chairmen of the Fond du Lac reservation business committee; the Grand Portage reservation business committee; the Mille Lacs reservation business committee; the White Earth reservation business committee; the Bois Forte (Nett Lake) reservation business committee; the Leech Lake reservation business committee; the Red Lake tribal council; the Upper Sioux board of trustees; the Lower Sioux tribal council; the Shakopee-Mdewankanton general council; the Prairie Island tribal council; and two members to be selected pursuant to subdivision 2. The chairmen of the above Indian committees, trusts, or councils may designate in writing a member who shall have been elected at large to an office in the committee, trust, or council, to serve in his place. Board members appointed to represent

the state house of representatives, the state senate or tribal governments shall no longer serve on the board at such time as they are no longer members of the bodies which they represent, and upon such circumstances, their offices shall be vacant. A member who is a designee of a tribal chairman shall cease to be a member at the end of the term of the tribal chairman who designated him. Ex-officio members or their designees on the board shall not be voting members of the board.

Sec. 69. Minnesota Statutes 1980, Section 4.10, is amended to read:

4.10 [STATEWIDE PLANNING; PURPOSES.]

In order that the state benefit from an integrated program for the development and effective employment of its resources, and in order to promote the health, safety, and general welfare of its citizens, it is in the public interest that a ~~planning agency department~~ be created in the executive branch of the state government to engage in a program of comprehensive statewide planning. The ~~agency department~~ shall act as a directing, advisory, consulting, and coordinating agency to harmonize activities at all levels of government, to render planning assistance to all governmental units, and to stimulate public interest and participation in the development of the state.

Sec. 70. Minnesota Statutes 1980, Section 4.11, Subdivision 4, is amended to read:

Subd. 4. To the greatest extent practicable the ~~state planning officer commissioner~~ shall limit the permanent staff engaged in the programs authorized by sections 4.10 to 4.17 and shall contract for basic research, employ consultants, and use the existing facilities of state departments and agencies. It is desirable that he utilize the facilities of the university of Minnesota to provide (a) continuing geographic projection and detailed studies of the state's population, economy, and land use; (b) a central repository for the research data necessary for such functions; and (c) educational activities essential to the implementation of state planning.

Sec. 71. Minnesota Statutes 1980, Section 4.11, Subdivision 5, is amended to read:

Subd. 5. The governor may direct any state department or other agency of the state government to furnish the ~~state planning agency commissioner~~ with such personnel, equipment, and services as are necessary to enable ~~it~~ ~~commissioner~~ to carry out ~~its~~ ~~the commissioner's~~ powers and duties, and prescribe the terms thereof. When requested by the ~~state planning agency commissioner~~ to perform planning work, state agencies will be expected to use existing staff.

Sec. 72. Minnesota Statutes 1980, Section 4.11, Subdivision 8, is amended to read:

Subd. 8. Within the organization of the state ~~planning agency department of energy, planning and development~~, the position of state demographer shall be appointed by and serve under the supervision and control of the ~~director of planning commissioner~~. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon experience and past performance.

Sec. 73. Minnesota Statutes 1980, Section 4.12, is amended to read:

4.12 [POWERS AND DUTIES.]

Subdivision 1. The ~~state planning officer~~ *commissioner* shall:

(1) Prepare comprehensive, long range recommendations for the orderly and coordinated growth of the state including detailed recommendations for long range plans of operating state departments and agencies.

(2) The state, in the development of long range planning, shall take into consideration its relationship to local units of government and the planning to be accomplished on such levels.

Subd. 2. The ~~state planning officer~~ *commissioner* shall:

(1) Review current programming and future planning of all state departments and agencies.

(2) Report regularly and on or before November 15 of each even numbered year to the legislature, reviewing in each report the state planning program, and the progress and development thereof. Thereafter, as soon as practicable, he shall make recommendations for desirable legislation and necessary appropriations.

(3) To the extent practicable coordinate with state budgets the items therein relating to and reflecting statewide planning as authorized by the legislature and as recommended for the consideration of the legislature.

(4) Require each state department and agency having planning programs to regularly file copies thereof with him for review.

(5) Make available to the legislature or any authorized committee or commission thereof information concerning statewide development plans and basic research from which the plans have been developed.

(6) Act as the coordinating agency for the planning activities of all state departments and agencies and local levels of government.

(7) Review all plans filed with the federal government by state departments and agencies pursuant to section 16A.30, or any other law as a part of his duties prescribed by this section. The commissioner of finance shall furnish the ~~state planning officer~~ *commissioner* the information required by this clause.

(8) Encourage the development of planning programs by state departments and agencies and local levels of government.

(9) Act as the coordinating agency for submission of the environmental impact statements required by the National Environmental Policy Act and the state's comments thereon to the appropriate federal agencies.

Subd. 3. The ~~state planning officer~~ *commissioner*: (1) shall appear before the Minnesota municipal board when requested by the board to present studies and data regarding any annexation, incorporation, or detachment proceedings pending before the board;

(2) may contract with a county or regional planning agency or a planning consultant for the making of studies and the compiling of data relating to any annexation, incorporation, or detachment proceedings before the board;

(3) at his discretion or upon the written request of any governmental unit, group of governmental units, or a regional planning agency, may conduct studies relating to the feasibility of annexation, incorporation, or consolidation

of a town or governmental units. ~~Such~~ The studies shall be undertaken only in areas where there is reasonable grounds to believe that problems of urban growth may require the incorporation, or consolidation of governmental units, or the annexation of unincorporated areas in order to provide essential urban services.

Subd. 4. The ~~office of local and urban affairs~~ commissioner shall: (1) undertake studies to obtain information and data on urban and rural needs, assistance programs, and activities. ~~It~~ The commissioner shall provide technical assistance and advice in the solution of such problems. The duties of the ~~office~~ commissioner shall include, but are not limited to, the assembly, the correlation, and dissemination of physical, social, and economic development data to inform local governmental units and interested persons and organizations of the availability and status of federal, state, and local programs and other resources for the solution of urban and rural problems;

(2) make available to the governor and the legislature pertinent information relating to federal grants in aid to local governmental units and an analysis thereof;

(3) inform local governmental units about federal programs of social or economic aid or assistance for which they are eligible, together with the criteria, standards, and conditions upon which ~~such~~ the aid is based.

Subd. 5. The ~~office of local and urban affairs~~ commissioner: (1) shall not undertake on behalf of any local governmental unit the responsibility of filling out application forms for federal grants in aid unless required by federal law or regulation promulgated thereunder, but instead will limit ~~its~~ the activities of the department in relation to federal aid applications to the publication and distribution of manuals and the furnishing of advice and otherwise guide the officers of local governmental units in properly making out required application forms;

(2) shall not be responsible in any way to promote any federal grant in aid or planning program;

(3) shall coordinate information which shall be submitted to ~~it~~ the commissioner by a special district or region recognized by the federal government with responsibility of reviewing federal grants in aid applications for community and nonprofit corporations within the district or region. ~~Such~~ Special districts or regions shall submit copies of approved applications for ~~such~~ this purpose. Unless the requirements of this clause are complied with no state department or agency may provide assistance or funds for any project submitted to the federal government through a special district or region. Where there is a metropolitan planning agency or regional council created by law, the state planning officer commissioner may delegate to ~~such~~ the council or agency the responsibilities of this clause;

(4) shall have only advisory responsibility or jurisdiction in any area of the state within the jurisdiction of a metropolitan planning agency or regional council created by law.

Subd. 6. The ~~director of~~ planning commissioner shall:

(1) Employ personnel with qualifications as are needed to perform the duties prescribed in this section. To the greatest extent practicable, the ~~director of~~

~~planning~~ *commissioner* shall limit the permanent demographic staff and shall contract for basic research, employ consultants, and use the existing facilities of state departments, other agencies, and the state educational institutions, and

(2) Utilize the computer facilities of the state or state educational institutions for the research data necessary for periodic population projections.

Subd. 7. The ~~state demographer~~ *commissioner*:

(1) Shall continuously gather and develop demographic data within the state;

(2) Shall design and test methods of research and data collection;

(3) Shall have the power to call upon any agency of the state or political subdivision for data as may be available, and the agencies and political subdivisions shall cooperate to the fullest extent possible;

(4) Shall periodically prepare population projections for designated regions and for the state and may periodically prepare projections for each county, or other political or geographic division;

(5) Shall review, comment, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies or nongovernmental persons, institutions or commissions;

(6) Shall serve as the state liaison with the federal bureau of census, shall coordinate his activities with federal demographic activities to the fullest extent possible, and shall aid the legislature in preparing a census data plan and form for each decennial census;

(7) Shall compile an annual study of population estimates on the basis of county, regional or other political or geographic divisions as necessary to carry out the purposes of ~~Laws 1974, Chapter 327~~ *this subdivision and section 4.125*;

(8) Shall, on or before January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(9) Shall cause to be prepared maps of all counties in the state, all municipalities with a population of 10,000 or more, and any other municipalities as deemed necessary for census purposes, according to scale and detail recommended by the federal bureau of the census, with the maps of cities showing boundaries of precincts; and

(10) Shall annually prepare a population estimate for each governmental subdivision for which the metropolitan council does not prepare an annual population estimate; and shall communicate the estimate to the governing body of each governmental subdivision by May 1 of each year.

Subd. 8. The ~~state planning officer~~ *commissioner* may charge a fee to each user of the Minnesota land management information system.

Sec. 74. Minnesota Statutes 1980, Section 4.125, is amended to read:

4.125 [POPULATION ESTIMATES AND PROJECTIONS, SUBMISSION BY STATE AGENCIES:]

Each state agency shall submit to the ~~director of planning~~ *commissioner* for his comment all population estimates and projections prepared by it prior to:

- (a) Submitting those estimates and projections to the state legislature or federal government to obtain appropriations or grants,
- (b) The issuance of bonds based upon those estimates and projections, and
- (c) Releasing any plan based upon those estimates and projections.

Sec. 75. Minnesota Statutes 1980, Section 4.13, is amended to read:

4.13 [COOPERATIVE CONTRACTS.]

The ~~state planning officer~~ *commissioner* may apply for, receive and expend ~~funds money~~ from municipal, county, regional and other planning agencies; apply for, accept, and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may enter into contracts with agencies of the federal government, local governmental units, the university of Minnesota, and other educational institutions, and private persons as may be necessary in the performance of his duties. Contracts made pursuant to this section shall not be subject to the provisions of chapter 16, as they relate to competitive bidding.

The ~~state planning officer~~ *commissioner* may apply for, receive, and expend ~~funds money~~ made available from federal sources or other sources for the purposes of carrying out the duties and responsibilities of the ~~office of commissioner relating to~~ local and urban affairs.

All moneys received by the ~~state planning officer~~ *commissioner* pursuant to this section shall be deposited in the state treasury and are ~~hereby~~ appropriated ~~annually therefrom~~ to the ~~state planning officer~~ *commissioner* for the purposes for which ~~such the~~ moneys have been received. ~~None of such~~ *The* money shall ~~not~~ cancel and shall be available until expended.

Sec. 76. Minnesota Statutes 1980, Section 4.17, is amended to read:

4.17 [RULES AND REGULATIONS.]

No moneys, regardless of the source thereof, made available to the ~~state planning officer~~ *commissioner* pursuant to sections 4.10 to 4.17 or any other law shall be expended by him for planning programs until he promulgates and adopts rules ~~and regulations~~ prescribing the criteria, standards, and procedures to govern the expenditure thereof. ~~Such~~ *The* rules ~~and regulations~~ shall be ~~promulgated and~~ adopted under the administrative procedure act as contained in chapter 15, and shall conform with all terms and conditions imposed on the ~~state planning officer~~ *commissioner* when ~~such the~~ moneys are made available to him.

Sec. 77. Minnesota Statutes 1980, Section 4.18, Subdivision 2, is amended to read:

Subd. 2. [POLICY.] The ~~state planning agency~~ *commissioner* shall recommend policies relating to the location of any new buildings proposed by the state or any of its departments or agencies and shall recommend policies relating to the location of state facilities and offices. The policies shall require that whenever feasible and practicable, after due consideration having been given to the functions, uses and services for which ~~such the~~ buildings or offices are required, ~~that such the~~ buildings, facilities and offices, shall be located in areas of the state not included in a standard metropolitan statistical area to the end that a more equitable balance between urban areas and rural areas in the

location of state facilities be finally accomplished. The policies shall provide that in determining the location of ~~any such~~ the building, facility or office, first priority shall be given to locating it where the service need dictates. Second priority shall be given to locating the building, facility or office outside of a standard metropolitan statistical area, to avoid over-urbanization. The policies shall not apply when the legislature has designated the specific location of ~~any such~~ the building facility or office.

Sec. 78. Minnesota Statutes 1980, Section 4.191, is amended to read:

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 commissioner~~ on a form prescribed by the ~~agency commissioner~~, 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 commissioner~~ shall develop rules to exclude from the filing requirement projects that the ~~agency commissioner~~ determines are of minor significance.

Upon completion of the project, a copy shall be filed with the ~~state planning agency commissioner~~. The ~~state planning agency commissioner~~ 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. 79. Minnesota Statutes 1980, Section 4.26, Subdivision 1, is amended to read:

Subdivision 1. In order to improve the land use decision-making capability of local government, the ~~state planning agency commissioner~~ shall make grants to the metropolitan council pursuant to section 4.30, and to towns, counties, municipalities, and Indian reservations. The ~~state planning agency commissioner~~ shall give priority when granting ~~funds money~~ to those areas that show a special need according to the provisions of clauses (a) and (b). The grants may be used to employ staff or contract with other units of government or qualified consultants for the following purposes:

(a) To prepare and implement plans which are required for certain areas by law or by designation as a critical area under chapter 116G.

(b) To prepare and implement plans which the unit of government is authorized by law to undertake for the management of problems resulting from (1) rapid population or economic growth or decline; (2) potential development in environmentally sensitive areas including but not limited to flood plains, wild and scenic rivers, and shorelands; and (3) the addition or elimination of a major state or federal facility;

(c) To assist neighborhood organizations in cities of the first class to do land use and related planning by making grants to the municipality;

(d) To analyze and prepare plans to preserve and protect agricultural land as defined in ~~Minnesota Statutes 1974~~, section 500.24.

Sec. 80. Minnesota Statutes 1980, Section 4.27, is amended to read:

4.27 [ADMINISTRATION.]

The ~~state planning agency commissioner~~ shall determine priorities pursuant to section 4.26, and shall promulgate rules for the submittal and review of applications hereunder in accordance with the provisions of chapter 15.

Sec. 81. Minnesota Statutes 1980, Section 4.29, is amended to read:

4.29 [REGIONAL DEVELOPMENT COMMISSION REVIEW.]

An application for grants from this program shall be submitted to the appropriate regional development commission for review pursuant to ~~Minnesota Statutes 1974,~~ section 462.391, Subdivision 3, prior to the submittal to the ~~state planning agency commissioner~~. The regional development commission shall complete its review within 45 days after receipt of the application. If an application is not reviewed within the requisite time limit or if an extension of time is not agreed to by the affected parties, the application shall be deemed approved. Until units of local government in the metropolitan area as defined by section 473.02 are required by law to prepare and adopt comprehensive plans or portions thereof, the review required by this section shall be made by the metropolitan council for units of local government in the metropolitan area.

Sec. 82. Minnesota Statutes 1980, Section 4.35, is amended to read:

4.35 [TRAIL PLANNING.]

The ~~state planning agency commissioner~~, 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 4.36, 85.015, 85.016, 160.265, 473.147, and 473.301 to 473.341.

Sec. 83. Minnesota Statutes 1980, Section 4.36, Subdivision 2, is amended to read:

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The ~~state planning agency commissioner~~ 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.

Sec. 84. Minnesota Statutes 1980, Section 4.36, Subdivision 3, is amended to read:

Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The ~~state planning agency commissioner~~ 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.

Sec. 85. Minnesota Statutes 1980, Section 4.36, Subdivision 4, is amended to read:

Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The ~~state planning agency commissioner~~ 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 commissioner~~ 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.

Sec. 86. Minnesota Statutes 1980, Section 4.36, Subdivision 5, is amended to read:

Subd. 5. [POWERS; RULES.] The ~~director of the state planning agency commissioner~~ 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. 87. Minnesota Statutes 1980, Section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of commerce; the department of corrections; ~~the department of economic development~~; the department of education; the department of economic security; ~~the department of energy, planning and development~~; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of public service; the department of public welfare; the department of revenue; the department of transportation; the department of veterans affairs; and their successor departments.

Sec. 88. Minnesota Statutes 1980, Section 15.057, is amended to read:

15.057 [PUBLICITY REPRESENTATIVES.]

No state department, bureau or division, whether the same operates on funds appropriated or receipts or fees of any nature whatsoever, except the department of transportation, the department of ~~economic development~~ ~~energy, planning and development~~, the game and fish division, the department of economic security, and the state agricultural society shall use any of such funds for the payment of the salary or expenses of a publicity representative. The head of any such department, bureau, or division shall be personally liable for

funds used contrary to this provision. This act shall not be construed, however, as preventing any such department, bureau, or division from sending out any bulletins or other publicity required by any state law or necessary for the satisfactory conduct of the business for which such department, bureau, or division was created.

Sec. 89. Minnesota Statutes 1980, Section 15.50, Subdivision 2, is amended to read:

Subd. 2. (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, herein called the area which shall initially consist of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street to the north line of the right-of-way of Interstate Highway 94, thence easterly along the said north line to the centerline of Cedar Avenue, thence southeasterly along the centerline of Cedar Avenue to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. Pursuant to the comprehensive plan, or any portion thereof, the board may regulate, by means of zoning regulations adopted pursuant to the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty and architectural integrity of the area. No person shall undertake these construction activities as defined in the board's rules in the capitol area unless he has first submitted construction plans to the board, obtained a zoning permit from the board and received a written certification from the board specifying that he has complied with all design review procedures and standards. Violation of the zoning regulations is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. He shall make studies and report the results to the board when they request him to do so for their planning purpose.

(c) No public building, street, parking lot, or monument, or other construction shall be built or altered on any public lands within the area unless the plans for the same conforms to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No

alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan shall show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement shall be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, which may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. Such competition shall be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected shall become the property of the state of Minnesota and the board may award one or more premiums in each such competition and may pay such costs and fees as may be required for the conduct thereof. At the option of the board, plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided such plans have been considered by the advisory committee described in clause (f). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) The board shall not adopt any plan under clause (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee shall not be contestants under clause (e). The comments and criticism shall be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose:

(1) The committee shall be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the same are developed or in the process of preparation whether by the commissioner of administration, the state planning director, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area. A copy of any such data prepared by any public employee or agency shall be filed with the board promptly upon completion;

(2) The board may employ such stenographic or technical help as may be reasonable to assist the committee to perform its duties;

(3) When so directed by the board, the committee may serve as, and any

member or members thereof may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee and

(4) The city of St. Paul shall advise the board.

(g) The comprehensive plan for the area shall be developed and maintained in close cooperation with the ~~state planning agency~~ *commissioner of energy, planning and development* and the planning department and the council for the city of Saint Paul and the board of the arts, and no such plan or amendment thereof shall be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance and cleanliness of the public and ceremonial areas of the state capitol building. Pursuant to this power, the board shall consult with the director of the Minnesota state historical society and receive his advice regarding the historic fidelity of plans for the capitol building. The standards and policies developed as herein provided shall be binding upon the commissioner of administration. The provisions of sections 15.0411 to 15.0426 shall not apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase or eminent domain proceedings any real property situated in the area described in this section and it shall also have the power to acquire an interest less than a fee simple interest in the property, if it finds that it is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt regulations and may reenact the regulations adopted by its predecessor under Laws 1945, Chapter 315, and acts amendatory thereof.

(l) The board shall meet at the call of the chairman and at such other times as it may prescribe.

(m) The commissioner of administration shall assign quarters in the state veterans service building to (1) the department of veterans affairs of which such part as the commissioner of administration and commissioner of veterans affairs may mutually determine shall be on the first floor above the ground and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available to such other state departments and agencies as he may deem desirable.

Sec. 90. Minnesota Statutes 1980, Section 15A.081, Subdivision 1, is amended to read:

Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

	Salary or Range		
	Effective July 1, 1979	Effective July 1, 1980	Effective July 1, 1981
Administration, department of commissioner	\$44,000	\$47,000	
Administrative hearings office chief hearing examiner	38,000	40,000	
Agriculture, department of commissioner	38,000	40,000	
Commerce, department of commissioner of banks	34,000	36,500	
commissioner of insurance	34,000	36,500	
commissioner of securities and real estate	34,000	36,500	
director of consumer services	28,000	30,000	
Community college system chancellor	44,000	46,000	
Corrections, department of commissioner	42,000	45,000	
ombudsman	33,000	35,000	
Crime control planning board, executive director	33,000	35,000	
Economic development, department of commissioner	34,000	36,000	
Economic security, department of commissioner	43,000	45,000	
Education, department of commissioner	43,000	45,000	
Energy agency director	38,000	40,000	

	1979	1980	1981
<i>Energy, planning and development department of commissioner</i>		46,000	
Finance, department of commissioner	48,000	50,000	
Health, department of commissioner	47,000	49,000	
Higher education coordinating board executive director	40,000	42,000	
Housing finance agency executive director	39,000	41,000	
Human rights, department of commissioner	31,000	33,000	
Indian affairs board executive director	27,000	29,000	
Iron range resources and rehabilitation board commissioner	30,000	31,000	
Labor and industry, department of commissioner	38,000	40,000	
judge of the workers' compensation court of appeals	38,000	40,000	
Mediation services, bureau of director	36,000	38,000	
Natural resources, department of commissioner	44,000	47,000	
Personnel, department of commissioner	44,000	47,000	
Planning agency director	43,000	45,000	
Pollution control agency director	38,000	40,000	
Public safety, department of commissioner	38,000	41,000	

	1979	1980	1981
Public service, department of commissioner, public utilities commission	34,000	36,000	
director	34,000	36,000	
Public welfare, department of commissioner	44,000	48,000	
Revenue, department of commissioner	44,000	47,000	
State university system chancellor	44,000	46,000	
Transportation, department of commissioner	44,000	48,000	
Transportation, regulation board, board member		32,000	
Veterans affairs, department of commissioner	31,000	33,000	

Sec. 91. Minnesota Statutes 1980, Section 16.014, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of administration may establish a regional service center on a demonstration basis. ~~The state planning agency and the regional development commission of region No. 2 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 demonstration service center.

Sec. 92. Minnesota Statutes 1980, Section 16.084, is amended to read:

16.084 [ENCOURAGEMENT OF PARTICIPATION.]

The commissioners of administration and ~~economic development~~ *energy, planning and development* shall publicize the provisions of the set-aside program, attempt to locate small businesses able to perform set-aside procurement awards, and encourage participation. When the commissioner of administration determines that a small business is unable to perform under a set-aside contract, he shall so inform the commissioner of ~~economic development~~ *energy, planning and development* who shall assist the small business in attempting to remedy the causes of the inability to perform a set-aside award. In assisting the small business, the commissioner of ~~economic development~~ *energy, planning and development* in cooperation with the commissioner of administration shall use any management or financial assistance programs as may be available by or through the department of ~~economic development~~ *energy, planning and development*, other state or governmental agencies, or

private sources.

Sec. 93. Minnesota Statutes 1980, Section 16.086, Subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner of administration shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of ~~economic development~~ *energy, planning and development* indicating the progress being made toward the objectives and goals of sections 16.081 to 16.086 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 state procurement this figure reflects;

(b) The number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(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 appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflect;

(d) The number of contracts which were designated and set-aside pursuant to section 16.083 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to the normal procurement procedures.

Sec. 94. Minnesota Statutes 1980, Section 16.086, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER OF ~~ECONOMIC DEVELOPMENT EN-ERGY, PLANNING AND DEVELOPMENT.~~] The commissioner of ~~economic development~~ *energy, planning and development* shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:

(a) The efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;

(b) The efforts undertaken to identify small businesses including those owned and operated by socially or economically disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;

(c) The efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-aside awards; and

(d) The commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses.

Sec. 95. Minnesota Statutes 1980, Section 16.125, Subdivision 2, is amended to read:

Subd. 2. 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.

Sec. 96. Minnesota Statutes 1980, Section 16.756, Subdivision 1, is amended to read:

Subdivision 1. In order to conserve energy and to alleviate traffic congestion in and about the location of state offices, the commissioner of administration shall, in cooperation with the ~~director of the Minnesota energy agency commissioner of energy, planning and development~~, the commissioner of transportation and interested nonprofit agencies, establish and operate an employee transportation program utilizing commuter vans with a capacity of not less than seven nor more than 16 passengers. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees and blind vending operators in a manner consistent with standards and procedures adopted by the commissioner. Standards and procedures adopted pursuant to this subdivision shall not be subject to chapter 15. Commuter vans may be used by state employees and blind vending operators to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall provide in his standards and procedures for the recovery by the state of vehicle acquisition, lease, operation and insurance costs through efficient and convenient assignment of vans, and for the billing of costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. The commissioner shall promote the maximum practicable participation of state employees and blind vending operators in the use of the vans. Fees collected pursuant to this subdivision shall be deposited in the accounts from which the costs of operating, maintaining and leasing or amortizing acquisition costs for the specific vehicle are paid.

Sec. 97. Minnesota Statutes 1980, Section 18.023, Subdivision 11, is amended to read:

Subd. 11. [REPORT TO THE LEGISLATURE.] On or before January 31 of each year, the commissioner shall report to the legislature on the preceding year's approved disease control programs and any experimental programs conducted pursuant to subdivision 10a. The commissioner, with the assistance of the ~~Minnesota energy agency commissioner of energy, planning and development~~, shall investigate and evaluate the potential uses of wood infected with shade tree disease, including the uses as an alternative energy source and as a component in the construction or manufacture of new products. ~~The commissioner shall include the results of the investigation and any recommendations for proposed relevant legislation in the report to the legislature due on or before January 31, 1979.~~

Sec. 98. Minnesota Statutes 1980, Section 18.024, Subdivision 1, is amended to read:

Subdivision 1. The department of agriculture, in cooperation with the ~~Minnesota energy agency~~ *commissioner of energy, planning and development* and the Minnesota shade tree advisory committee, shall draft recommendations for wood utilization or disposal systems as defined in section 18.023. These recommendations shall encourage maximum utilization of diseased shade trees. In addition to insuring maximum utilization, the recommendations shall be designed to insure public safety and to assure compliance with approved disease control programs.

Sec. 99. Minnesota Statutes 1980, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Notwithstanding any other law to the contrary, the commissioner, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under applicable provisions of rules and laws governing classified state employees. An incumbent of a position that is declassified pursuant to this subdivision, if he so requests within 120 days after being removed from that position, shall be appointed to a classified position comparable to the position that was declassified, or if such a position is unavailable, to a position comparable to that which he held immediately prior to being appointed to the position that was declassified. If a position is declassified and the incumbent at the time the position was declassified had no classified status immediately prior to the appointment to the position that was declassified, he shall, if he so requests within 120 days after being removed from that position, be appointed to a comparable or lower classified position within two salary ranges of the position that was declassified.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive classified civil service status and, upon his request, shall be reappointed to a classified position comparable to that which he held immediately prior to being appointed to the unclassified position.

(4) Positions so established are limited in number to six in the departments of administration, corrections, economic security, finance, transportation, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, employee relations and the housing finance agency; to four in the departments of agriculture, and ~~economic development~~ *energy, planning and development*; to three in the department of public service, ~~the planning agency~~, and the pollution control agency; and to two in the departments of human rights, ~~the crime control planning board~~ and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish additional unclassified posi-

tions under the provisions of this subdivision.

(5) ~~Funds are~~ Money is available.

Sec. 100. Minnesota Statutes 1980, Section 84.028, Subdivision 2, is amended to read:

Subd. 2. The overall coordination of acquisition and development programs, comprehensive planning activities, including statewide recreational planning programs required by state or federal law, and not the responsibility of the ~~state planning agency commissioner of energy, planning and development~~, are under the control and supervision of the commissioner.

Sec. 101. Minnesota Statutes 1980, Section 84.54, is amended to read:

84.54 [TOPOGRAPHIC SURVEY; ~~PLANNING OFFICER.~~]

The ~~state planning officer commissioner of energy, planning and development~~ shall study the general topographic survey and mapping needs of the state, and shall advise the commissioner of natural resources in determining the order of surveys and otherwise planning the operations, and shall promote coordination of survey and mapping activities of public and private agencies within the state.

Sec. 102. Minnesota Statutes 1980, Section 85.016, is amended to read:

85.016 [BICYCLE TRAIL PROGRAM.]

The commissioner of natural resources shall establish a program for the development of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and recreation land, and state forests. "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 commissioner of energy, planning and development~~ pursuant to section 4.36, with the bicycle trail program established by the commissioner of transportation pursuant to section 160.265, 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 commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails in local parks. The 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 be developed after consultation with the state trail council and regional and local units of government and bicyclists organizations.

Sec. 103. Minnesota Statutes 1980, Section 85.017, is amended 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 commissioner of energy, planning and development~~, the Minnesota

historical society, and local units of government shall cooperate with and assist the commissioner in preparing the registry.

Sec. 104. Minnesota Statutes 1980, Section 86.72, Subdivision 3, is amended to read:

Subd. 3: Requests for allocation from the account for acquisition or development shall be accompanied by a certificate signed jointly by the ~~director of the state planning agency~~ *commissioner of energy, planning and development* and commissioner of natural resources, showing a review of the application against chapter 86A. Copies of the certification shall be submitted to the appropriate legislative committees and commissions. Appropriations from the account 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.

Sec. 105. Minnesota Statutes 1980, Section 86A.06, is amended to read:

86A.06 [RULES AND REGULATIONS.]

Each managing agency, in consultation with the ~~state planning agency~~ *commissioner of energy, planning and development*, shall promulgate rules relating to the units of the outdoor recreation system within its jurisdiction, which shall provide for administration of the units in the manner specified in section 86A.05 and the laws relating to each type of unit. The authority provided by this subdivision does not amend or repeal authority possessed by the commissioner of natural resources pursuant to section 97.53, subdivision 2, and in no way is intended to modify or diminish authority possessed by the commissioner in relation to section 97.53, subdivision 2.

Sec. 106. Minnesota Statutes 1980, Section 86A.09, Subdivision 1, is amended to read:

Subdivision 1. [MASTER PLAN REQUIRED.] No construction of new facilities or other development of an authorized unit, other than repairs and maintenance, shall commence until the managing agency has prepared and submitted to the ~~state planning agency~~ *commissioner of energy, planning and development* and the ~~state planning agency~~ *commissioner of energy, planning and development* has reviewed, pursuant to this section, a master plan for administration of the unit in conformity with this section. ~~This requirement shall not apply to an existing unit until August 1, 1977.~~ No master plan is required for wildlife management areas that do not have resident managers, for water access sites, or for rest areas.

Sec. 107. Minnesota Statutes 1980, Section 86A.09, Subdivision 2, is amended to read:

Subd. 2. [MASTER PLAN; PREPARATION AND CONTENT.] The managing agency shall supervise preparation of the master plan and shall utilize the professional staffs of any agency of the state when the expertise of the staff of such agency is necessary to adequately prepare the master plan; the master plan shall present the information in a format and detail that is appropriate to the size and complexity of the authorized unit. When the master plan has been completed the managing agency shall announce to the public in a manner reasonably designed to inform interested persons that the master plan is

available for public review and in the case of any major unit shall hold at least one public hearing on the plan in the vicinity of the unit. The managing agency shall make the master plan available for review and comment by the public and other state agencies for at least 30 days following the announcement and before submitting the master plan to the ~~state planning agency commissioner of energy, planning and development~~. Copies of the plan shall be provided to members of the outdoor recreation advisory council and to any other person on request.

Sec. 108. Minnesota Statutes 1980, Section 86A.09, Subdivision 3, is amended to read:

Subd. 3. [MASTER PLAN; REVIEW AND APPROVAL.] All master plans required by this section shall be submitted to the ~~state planning agency commissioner of energy, planning and development~~ for review pursuant to this subdivision. The ~~state planning agency commissioner of energy, planning and development~~ shall review the master plan to determine whether the plan: (a) provides for administration of the unit in a manner that is consistent with the purposes for which the unit was authorized and with the principals governing the administration of the unit, as specified in section 86A.05 and the statutes relating to each type of unit; (b) recognizes values and resources within the unit that are primarily the responsibility of another managing agency to protect or develop, and provides for their protection or development either through a cooperative agreement with the other managing agency or through designation of the appropriate area as a secondary unit. In reviewing any master plan, the ~~state planning agency commissioner of energy, planning and development~~ shall consult with other state agencies. Within 60 days after receiving the master plan, the ~~state planning agency commissioner of energy, planning and development~~ shall notify the managing agency that the plan has been reviewed and forward its recommendations for any changes it might suggest. The managing agency shall review the recommendations and notify the ~~state planning agency commissioner of energy, planning and development~~ of the disposition made of them. Failure to comment on a master plan within the time specified shall be considered approval of the plan by the ~~state planning agency commissioner of energy, planning and development~~. If the director of the ~~state planning agency commissioner of energy, planning and development~~ feels that the master plan still fails significantly to comply with this subdivision, he may request review of the master plan by the governor. In that event review shall not be deemed completed until after the master plan has been approved by the governor or 60 days have elapsed without action by the governor to approve or reject the plan, whichever occurs first.

Sec. 109. Minnesota Statutes 1980, Section 86A.09, Subdivision 4, is amended to read:

Subd. 4. [DEVELOPMENT.] Construction of necessary facilities and other development of the unit shall commence as soon as practicable after review of the master plan by the ~~state planning agency commissioner of energy, planning and development~~, and the governor if requested, and shall be carried out in conformity with the master plan.

Sec. 110. Minnesota Statutes 1980, Section 92.35, is amended to read:

92.35 [DUTIES AND POWERS.]

It shall be the duty of the ~~land use committee, or its successor, the state~~

~~planning officer~~ commissioner of energy, planning and development, to classify all public and private lands in the state with reference to the use to which the lands are adapted, but principally as to adaptability to present known uses, such as agriculture and forestry. This classification shall be based upon a consideration of the known physical and economic factors affecting the use of the land. The ~~land use committee~~ commissioner of energy, planning and development shall consult with private, state, and federal agencies concerned with land use, and may appoint such advisory committees as ~~it~~ the commissioner may deem necessary and advisable, made up of residents of the state concerned with and interested in land use, the advisory committees to serve without pay, at the pleasure of the ~~land use committee~~ commissioner of energy, planning and development, and to consider and report upon such land use problems as may be submitted by the ~~land use committee~~ commissioner of energy, planning and development. The work of the ~~land use committee~~ commissioner of energy, planning and development shall first be done in the counties having land classification committees. The ~~land use committee~~ commissioner of energy, planning and development shall consult, advise with, and cooperate with the land classification committee in each county in obtaining and considering the facts upon which to determine ~~its~~ the commissioner's land classification; the land classification committee in each county shall consult, advise with, and cooperate with the ~~land use committee~~ commissioner of energy, planning and development in like manner, but the determination of the land classification committee shall be final.

Sec. 111. Minnesota Statutes 1980, Section 92.36, is amended to read:

92.36 [LANDS CLASSIFIED.]

Upon the basis of all of the facts concerning land use now obtainable and in the manner provided in sections 92.33 to 92.37 the ~~land use committee, or its successor, the state planning officer~~ commissioner of energy, planning and development, shall make and determine a temporary land classification of land areas with reference to the known uses to which ~~such~~ the areas are adapted or adaptable. ~~This classification shall be adopted by a majority vote of the committee and recorded in its minutes.~~ A certified copy of the temporary classification, together with a brief statement of the reasons therefor, shall be recorded in the office of the county recorder in each county in which the lands classified are located. No fees shall be paid for this recording. When ~~such~~ the temporary classification has been adopted by the ~~land use committee~~ commissioner of energy, planning and development none of the lands classified as non-agricultural shall thereafter be sold or leased by the state for agricultural purposes.

Sec. 112. Minnesota Statutes 1980, Section 92.37, is amended to read:

92.37 [REPORT TO LEGISLATURE.]

The ~~land use committee, or its successor, the state planning officer~~ commissioner of energy, planning and development, shall report the results of its land classification to the legislature with such recommendations as it may deem advisable.

Sec. 113. Minnesota Statutes 1980, Section 104.03, Subdivision 1, is amended to read:

Subdivision 1. The commissioner shall (a) collect and distribute information relating to flooding and flood plain management; (b) coordinate local, state,

and federal flood plain management activities to the greatest extent possible, and to this end shall encourage the United States army corps of engineers and the United States soil conservation service to make their flood control planning data available to local governmental units for planning purposes, in order to allow adequate local participation in the planning process and in the selection of desirable alternatives; (c) assist local governmental units in their flood plain management activities within the limits of available appropriations and personnel in cooperation with the ~~office of local and urban affairs and the state planning officer~~ *commissioner of energy, planning and development*; (d) do all other things, within his lawful authority, which are necessary or desirable to manage the flood plains for beneficial uses compatible with the preservation of the capacity of the flood plain to carry and discharge the regional flood. In cooperation with local governmental units, the commissioner shall conduct, whenever possible, periodic inspections to determine the effectiveness of local flood plain management programs, including an evaluation of the enforcement of and compliance with local flood plain management ordinances.

Sec. 114. Minnesota Statutes 1980, Section 104.35, Subdivision 2, is amended to read:

Subd. 2. The commissioner shall make the proposed management plan available to affected local governmental bodies, shoreland owners, conservation and outdoor recreation groups, the ~~director of the state planning agency~~ *commissioner of energy, planning and development*, the governor, and the general public. The ~~director of the state planning agency~~ *commissioner of energy, planning and development* and the governor shall review the proposed management plan pursuant to the criteria specified in section 86A.09, subdivision 3, and submit any written comments to the commissioner within 60 days after receipt of the proposed management plan. Not less than 60 days after making such information available, the commissioner shall conduct a public hearing on the proposed management plan in the county seat of each county which contains a portion of the designated area, in the manner provided in chapter 15.

Sec. 115. Minnesota Statutes 1980, Section 104.35, Subdivision 3, is amended to read:

Subd. 3. Upon receipt of the hearing examiner's report, the commissioner shall immediately forward the proposed management plan and the hearing examiner's report to the ~~state planning agency~~ *commissioner of energy, planning and development* for review pursuant to section 86A.09, subdivision 3, except that the review by the ~~state planning agency~~ *commissioner of energy, planning and development* shall be completed or be deemed completed within 30 days after receiving the hearing examiner's report and the review by the governor shall be completed or be deemed completed within 15 days after receipt. Within 60 days after receipt of the hearing examiner's report, the commissioner shall decide whether to designate by order the river or segment thereof as a wild, scenic, or recreational river and, if so designated, shall adopt a management plan to govern the area. The commissioner shall notify and inform public agencies and private landowners of the plan and its purposes so as to encourage their cooperation in the management and use of their land in a manner consistent with the plan and its purposes.

Sec. 116. Minnesota Statutes 1980, Section 105.484, is amended to read:

105.484 [LAKE IMPROVEMENTS; GRANTS-IN-AID; PRIORITIES.]

The commissioner of natural resources with the assistance of the pollution control agency and the ~~state planning agency~~ *commissioner of energy, planning and development* shall make an assessment of the need for particular kinds of lake improvements including improvements related to high or low water levels and any other resource management considerations, except pollution problems, and to develop by ~~April 1, 1979~~, criteria for allocating state aid funds among proposed projects: 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. 117. Minnesota Statutes 1980, Section 105.485, Subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S DUTIES.] ~~Before April 1, 1974~~, The commissioner of natural resources shall ~~promulgate~~ *adopt*, in the manner provided in chapter 15, model standards and criteria, other than a model ordinance, for the subdivision, use, and development of shoreland in municipalities, which standards and criteria shall include but not be limited to those listed below in regard to unincorporated areas. ~~Before July 1, 1970~~, The commissioner of natural resources shall ~~promulgate~~ *adopt*, in the manner provided in chapter 15, model standards and criteria for the subdivision, use, and development of shoreland in unincorporated areas, including but not limited to the following: (a) The area of a lot and length of water frontage suitable for a building site; (b) the placement of structures in relation to shorelines and roads; (c) the placement and construction of sanitary and waste disposal facilities; (d) designation of types of land uses; (e) changes in bottom contours of adjacent public waters; (f) preservation of natural shorelands through the restriction of land uses; (g) variances from the minimum standards and criteria; and (h) a model ordinance. The following agencies shall provide ~~such~~ information and advice as ~~may be~~ necessary to the preparation of the rules ~~and regulations~~, or amendments thereto: The state departments of agriculture, ~~economic development, and health, and energy, planning and development; the state planning agency;~~ the pollution control agency; the state soil and water conservation board; and the Minnesota historical society. In addition to other requirements of chapter 15, the model standards and ordinance ~~promulgated~~ *adopted* pursuant to this section, or amendments thereto, shall not be filed with the secretary of state unless approved by the state commissioner of health and the director of the pollution control agency.

Sec. 118. Minnesota Statutes 1980, Section 114A.03, Subdivision 1, is amended to read:

Subdivision 1. The southern Minnesota rivers basin board is ~~hereby~~ established to serve as the regional organization for guiding the creation and implementation of a comprehensive environmental conservation and development plan for the basin. All state departments and agencies ~~are hereby directed to~~ *shall* cooperate with the board, and ~~to~~ assist it in the performance of its duties. In cooperation with all federal agencies, including but not limited to the United States departments of agriculture and interior and the corps of engineers, all state agencies, departments, and commissions, including but not limited to the department of natural resources, Minnesota geological survey, water resources board, ~~state planning agency~~ *department of energy, planning*

and development, department of transportation, state soil and water conservation board, pollution control agency, ~~department of economic development,~~ department of agriculture, and the institute of agriculture of the University of Minnesota, and local governments and citizens within the basin, the board shall initiate, coordinate and prepare its overall comprehensive environmental conservation and development plan. The Minnesota soil and water conservation board and local soil and water conservation districts and watershed districts within the basin shall provide technical assistance to the board in the creation and implementation of the plan. Upon the request of the board, the governor or the legislature may require any other department or agency of the state to furnish assistance, technical or otherwise, to the board in the performance of its duties or in the exercise of its powers authorized by law. The plan may include, but is not limited to, planning for the following purposes:

- (1) Control or alleviation of damages by flood waters;
- (2) Improvement of stream channels for handling of surface waters, navigation, and any other public purposes;
- (3) Reclaiming or filling of wet and overflowed lands;
- (4) Regulating the flow of streams and conserving the waters thereof;
- (5) Diverting or changing watercourses in whole or in part;
- (6) Providing and maintaining water quality and supply for municipal, domestic, industrial, recreational, agricultural, aesthetic, wildlife, fishery, or other public use;
- (7) Providing for sanitation and public health and regulating uses of streams, ditches, or watercourses for the purpose of disposing of waste and maintaining water quality;
- (8) Repair, improvement, relocation, modification, consolidation or abandonment in whole or in part of previously established public drainage systems within the territory;
- (9) Imposition of prevention or remedial measures for the control or alleviation of land and soil erosion and siltation of watercourses or bodies of water affected thereby;
- (10) Regulation of improvements and land development by abutting landowners of the beds, banks, and shores of lakes, streams, watercourses, and marshes by permit or otherwise in order to preserve the same for beneficial use; ~~such~~ the regulation ~~to~~ shall be in accordance with state department of natural resource standards and criteria;
- (11) Regulation of construction of improvements on and prevention of encroachments in the flood plains of the rivers, and the lakes, marshes and streams of the basin; ~~such~~ the regulation ~~to~~ shall be in accordance with state department of natural resource standards and criteria.

Sec. 119. Minnesota Statutes 1980, Section 115A.07, Subdivision 1, is amended to read:

Subdivision 1. [INTERAGENCY COORDINATION.] The chairperson of the board shall inform the ~~state planning agency commissioner of energy,~~ *planning and development* of the board's activities in accordance with section

4.191. The chairperson shall keep the agency informed of the board's activities, solicit the advice and recommendations of the agency, and coordinate its work with the regulatory and enforcement activities of the agency.

Sec. 120. Minnesota Statutes 1980, Section 115A.12, Subdivision 2, is amended to read:

Subd. 2. [TECHNICAL ADVISORY COUNCIL.] The chairperson of the board shall establish an interagency technical advisory council to advise the board and the chairperson on such matters as the board, through its chairperson, deems necessary. The members of the council shall be the commissioner of health; the commissioner of agriculture; the commissioner of natural resources; ~~the commissioner of economic development;~~ the director of the pollution control agency; ~~the director of the energy agency;~~ the ~~director of the state planning agency~~ *commissioner of energy, planning and development;* and such other heads of agency as the chairperson of the board deems necessary; or their designees. The council shall meet at the call of the chairperson of the board who shall serve as chairperson of the council. The members, collectively and individually shall advise the board and the chairperson on matters within their various areas of expertise and shall provide technical assistance and information as requested by the board through its chairperson.

Sec. 121. Minnesota Statutes 1980, Section 115A.15, Subdivision 5, is amended to read:

Subd. 5. [REPORTS.] By January 1, ~~1981,~~ *and of each odd-numbered year thereafter,* the commissioner of administration shall submit a report to the governor and to the legislative commission summarizing past activities and proposed goals of the program for the following biennium. By July 1, ~~1980,~~ *and of each even-numbered year thereafter* ~~the directors of the energy agency and director of the pollution control agency and the commissioner of energy, planning and development~~ shall submit recommendations to the commissioner regarding the operation of the program.

Sec. 122. Minnesota Statutes 1980, Section 116C.03, Subdivision 2, is amended to read:

Subd. 2. The board shall include as permanent members the ~~director of the state planning agency~~ *head of the planning division of the department of energy, planning and development,* the director of the pollution control agency, the commissioner of natural resources, the commissioner of agriculture, the commissioner of health, the commissioner of transportation, ~~the director of the Minnesota energy agency,~~ and a representative of the governor's office designated by the governor; ~~the chairman of the citizens advisory committee, and three other members of the citizens advisory committee as designated by the governor.~~ *The names of the four members of the citizens advisory committee designated to serve on the board shall be submitted to the senate for its advice and consent. Upon the expiration of the citizens advisory committee* The governor shall appoint ~~four~~ *five* members from the general public to the board, subject to the advice and consent of the senate.

Sec. 123. Minnesota Statutes 1980, Section 116C.03, Subdivision 3, is amended to read:

Subd. 3. The ~~director of the state planning agency~~ *head of the planning division of the department of energy, planning and development* shall be the

chairman of the board.

Sec. 124. Minnesota Statutes 1980, Section 116C.03, Subdivision 4, is amended to read:

Subd. 4. The ~~director of the state planning agency~~ *commissioner of energy, planning and development* shall employ staff or consultants who will be assigned to work for the board on a continuous basis. The board shall have the authority to request and require staff support from all other agencies of state government as needed for the execution of the responsibilities of the board.

Sec. 125. Minnesota Statutes 1980, Section 116H.05, is amended to read:

116H.05 [CONFLICT OF INTEREST.]

No person shall be eligible to continue in office as ~~director~~ *commissioner* unless he has within six months after being appointed divested himself of any interest except fully vested pension rights in any utility, coal or petroleum supplier, or manufacturer of any major component of a large energy facility doing business within or outside this state.

No person who is an employee of the ~~agency department~~ shall participate in any manner in any decision or action of the ~~agency~~ *commissioner* where he has a direct or indirect financial interest.

Sec. 126. Minnesota Statutes 1980, Section 116H.06, is amended to read:

116H.06 [JURISDICTION.]

The ~~agency commissioner~~ has sole authority and responsibility for the administration of sections 116H.01 to 116H.15. Other laws notwithstanding, the authority granted the ~~agency commissioner~~ shall supersede the authority given any other agency whenever overlapping, duplication or additional administrative or legal procedures might occur in the administration of sections 116H.01 to 116H.15. The ~~director commissioner~~ shall consult with other state departments or agencies in matters related to energy and shall contract with them to provide appropriate services to effectuate the purposes of sections 116H.01 to 116H.15. Any other department, agency or official of this state or political subdivision thereof which would in any way affect the administration or enforcement of sections 116H.01 to 116H.15 shall cooperate and coordinate all ~~such~~ activities with the ~~agency commissioner~~ to assure orderly and efficient administration and enforcement of sections 116H.01 to 116H.15.

The ~~director commissioner~~ shall designate a liaison officer ~~from the agency~~ whose duty shall be to insure the maximum possible consistency in procedures and to eliminate duplication between the ~~agency commissioner~~ and the other agencies that may be involved in energy. ~~The commissioner of administration~~ shall, if and to the extent he deems it efficient and beneficial, transfer to the agency, pursuant to sections 16.125 and 16.135, the functions, employees or work of any agency of the state if such functions or work relate to or if such employees are engaged in matters which fall within the jurisdiction of the agency pursuant to sections 116H.01 to 116H.15.

Sec. 127. Minnesota Statutes 1980, Section 116H.07, is amended to read:

116H.07 [DUTIES.]

The ~~director commissioner~~ shall:

(a) Manage the ~~agency~~ *department* as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116H.01 to 116H.15;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116H.01 to 116H.15, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design 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. 128. Minnesota Statutes 1980, Section 116H.08, is amended to read:

116H.08 [POWERS.]

The ~~director~~ *commissioner* may:

(a) Adopt rules pursuant to chapter 15 as necessary to carry out the purposes of sections 116H.01 to 116H.15 and, when necessary for the purposes of section 116H.09, adopt temporary rules pursuant to section 15.0412, subdivision 5;

(b) Make all contracts pursuant to sections 116H.01 to 116H.15 and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any grant intended for the administration of sections 116H.01 to 116H.15. Notwithstanding any other law the ~~agency commissioner~~ is designated the state ~~agency agent~~ to apply for, receive and accept federal or other funds made available to the state for the purposes of sections 116H.01 to 116H.15.

(c) Contract for professional services if such work or services cannot be satisfactorily performed by employees of the ~~agency department~~ or by any other state agency;

(d) Enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(e) Distribute informational material at no cost to the public upon reasonable request.

Sec. 129. Minnesota Statutes 1980, Section 116H.085, is amended to read:

116H.085 [ENERGY CONSERVATION INFORMATION CENTER.]

The ~~director commissioner~~ shall establish an energy information center in the ~~agency's department's~~ offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and alternative sources of energy.

The energy information center shall serve as the official Minnesota alcohol fuels information center and shall disseminate information, printed, by the toll-free telephone information service, or otherwise on the applicability and technology of alcohol fuels.

The information center shall include information on the potential hazards of energy conservation techniques and improvements in the printed materials disseminated. The ~~agency commissioner~~ shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

Sec. 130. Minnesota Statutes 1980, Section 116H.087, is amended to read:

116H.087 [ENERGY CONSERVATION PUBLICITY.]

The ~~director of the energy agency commissioner~~ in consultation with other affected agencies or departments shall develop informational materials, pamphlets and radio and television messages on energy conservation and housing programs available in Minnesota, renewable energy resources, and energy supply and demand. The printed materials 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 and renewable resource measures. Copies of printed materials shall be distributed to members of the appropriate standing committees of the legislature.

Sec. 131. Minnesota Statutes 1980, Section 116H.088, Subdivision 1, is amended to read:

Subdivision 1. The ~~director~~ *commissioner*, in consultation with the state board of education, the higher education coordinating board, the state board for community colleges, the state university board, and the board of regents of the University of Minnesota, shall develop a plan for adult and post-secondary energy education.

Sec. 132. Minnesota Statutes 1980, Section 116H.089, is amended to read:

116H.089 [COMMUNITY ENERGY PLANNING; GRANTS.]

Subdivision 1. [PURPOSE.] In order to improve the energy planning capabilities of local governments, the ~~energy agency~~ *commissioner* shall make grants to counties and cities, however organized. The ~~energy agency~~ *commissioner* when making grants shall give priority to those units of government that submit proposals that could result in significant savings of traditional energy sources, development of renewable energy systems, and broad community involvement. The ~~director~~ *commissioner* shall give priority to local units of government that provide staff or other support for a program and who request grants for programs which can be duplicated by other local governments. The grants may be used to purchase materials, employ staff or contract with other units of government or qualified consultants.

The ~~director~~ *commissioner* shall not make grants of more than 45 percent of the amount appropriated for those purposes to cities and counties located within the seven county metropolitan area. A single grant to a city or county shall not exceed \$50,000.

Subd. 2. [QUALIFYING EXPENDITURES.] Community energy planning grants may be used for the following purposes:

(a) To gather, monitor, and analyze local energy supply, demand, and cost information;

(b) To prepare comprehensive community energy plans;

(c) To implement comprehensive energy plans that the unit of government is authorized to undertake for the management of problems resulting from: (1) rising energy cost; (2) lack of efficient public and private transportation; (3) lack of community conservation efforts; (4) lack of widespread renewable energy sources; and (5) lack of energy components in comprehensive plans and local ordinances;

(d) To assist neighborhood organizations in counties and cities to do energy planning by making grants to the local unit of government; and

(e) Any other purposes deemed appropriate by the ~~director~~ *of the energy agency commissioner*.

Subd. 3. [ADMINISTRATION.] The ~~energy agency~~ *commissioner* shall determine priorities pursuant to subdivisions 1 and 2, and shall promulgate rules for the submission and review of applications in accordance with the provisions of chapter 15. For this purpose the ~~energy agency~~ *commissioner* may adopt temporary rules pursuant to the provisions of section 15.0412, subdivision 5.

Sec. 133. Minnesota Statutes 1980, Section 116H.09, Subdivision 1, is

amended to read:

Subdivision 1. ~~Within nine months after March 29, 1974, The director commissioner shall prepare and issue maintain~~ an emergency conservation and allocation plan ~~in the manner set forth in subdivision 2. Such~~ The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:

(a) Give priority to individuals, institutions, agriculture and businesses which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:

(1) Immediate allocations to individuals, institutions, agriculture and businesses be based on needs at energy conservation levels;

(2) Successive allocations to individuals, institutions, agriculture and businesses be based on needs after implementation of required action to increase energy conservation;

(3) Needs of individuals and institutions are adjusted to insure the health and welfare of the young, old and infirm;

(b) Insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;

(c) Establish programs, controls, standards, priorities or quotas for the allocation, conservation and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy consuming facilities may or are required to remain open;

(d) Establish programs to control the use, sale or distribution of commodities, materials, goods or services;

(e) Establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities; and

(f) Determine at what level of an energy supply emergency situation the pollution control agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, 42 U.S.C., Section 7410f;

(g) Establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.

Sec. 134. Minnesota Statutes 1980, Section 116H.09, Subdivision 4, is amended to read:

Subd. 4. At least once every five years and whenever construction of a new large energy facility is completed which affects the supply of energy in Minnesota, the ~~director~~ commissioner shall review and if necessary revise the emergency conservation and allocation plan. Revisions of the emergency conservation and allocation plan shall be ~~promulgated~~ adopted pursuant to the rulemaking procedures in chapter 15 and reviewed by the appropriate standing committees of the legislature. The ~~director~~ commissioner may also make revisions to the plan pursuant to section 15.0412, subdivision 5, and the temporary rules powers of section 116H.08, clause (a), when a declared or impending energy supply emergency requires.

Sec. 135. Minnesota Statutes 1980, Section 116H.09, Subdivision 5, is amended to read:

Subd. 5. The executive council or the legislature may declare an energy supply emergency when an acute shortage of energy exists by issuing a declaration which indicates the nature of the emergency, the area or areas threatened if less than the whole state is threatened, and the conditions causing the emergency. The declaration shall be disseminated promptly by means calculated to bring its contents to the attention of the general public and shall be promptly filed with the ~~energy agency~~ commissioner, the division of emergency services and the secretary of state. Upon a declaration of an energy supply emergency by the executive council or the legislature, the governor and the division of emergency services, in consultation with the ~~director~~ commissioner, shall implement and enforce the emergency conservation and allocation plan or any part thereof. Revisions of the plan shall be made by the ~~director~~ commissioner in accordance with subdivision 4. The executive council or the legislature may terminate an energy supply emergency at any time by issuing a declaration which terminates the energy supply emergency and indicates the conditions which make possible termination of the emergency, but no energy supply emergency may continue for longer than 30 days unless renewed by the legislature. Each renewed energy supply emergency may not continue for longer than 30 days, unless otherwise provided by law. Each person shall carry out the responsibilities specified in the emergency conservation allocation plan, and violation of any provision of such emergency conservation or allocation requirements shall be deemed a violation of sections 116H.01 to 116H.15 and the rules promulgated thereunder for purposes of enforcement pursuant to section 116H.15.

Sec. 136. [116H.095] [STATE SET-ASIDE PROGRAM.]

Subdivision 1. [PURPOSE.] The purpose of this section is to grant to the commissioner authority to exercise specific power to deal with shortages of refined petroleum products. Authority granted shall be exercised for the purpose of minimizing the adverse impacts of shortages and dislocations upon the citizens and the economy of the state and nation.

Subd. 2. [ESTABLISHMENT.] The commissioner shall establish and is responsible for a state set-aside system for motor gasoline and middle distillates to provide emergency petroleum requirements and thereby relieve the hardship caused by shortage, supply dislocations, or other emergencies. The commissioner, for purposes of administration, may exercise all of the powers

granted by chapter 116H.

Subd. 3. [DEFINITIONS.] *As used in this section:*

(a) "Middle distillates" means distillates obtained between kerosene and lubricating oil fractions in the refining process, including but not limited to, kerosene, number one and number two heating oil and diesel fuel;

(b) "Motor gasoline" means a liquid mixture of hydrocarbons produced by the distillation of petroleum and used chiefly as a fuel in internal combustion engines;

(c) "Prime supplier" means the producer or supplier now or hereafter making the first sale of middle distillates or motor gasoline subject to the state set-aside for consumption within the state;

(d) "State set-aside" means the amount of middle distillates or motor gasoline required to be made available by a prime supplier for utilization by the commissioner to resolve or mitigate emergencies or hardships due to shortages of supply.

Subd. 4. [SET-ASIDE REQUIRED.] *Every prime supplier shall allocate for sale or exchange monthly upon order of the commissioner a volume of gasoline and middle distillate not exceeding the monthly set-aside amount. The amount of gasoline subject to monthly set-aside shall be an amount equal to three percent of the prime supplier's sales of gasoline during the corresponding month of 1980. The amount of middle distillate subject to monthly set-aside shall be an amount equal to four percent of the prime supplier's sales of middle distillate during the corresponding months of 1980.*

Subd. 5. [REPORT OF ESTIMATED VOLUME.] *Every prime supplier who did not do business in the state during the corresponding month of 1980 shall file with the commissioner a report of its estimated volume of gasoline and middle distillate sale. The report shall be in a form prescribed by the commissioner and shall be submitted by the 25th day of the month preceding the month covered by the report. Each prime supplier subject to this subdivision shall allocate monthly for sale or exchange upon order of the commissioner three percent of estimated gasoline supplies and four percent of estimated middle distillate supplies as shown by the report.*

Subd. 6. [PRIME SUPPLIER OBLIGATIONS.] *Each prime supplier shall designate a representative to act for and on behalf of the prime supplier in respect to energy agency state set-aside orders to be issued to the prime supplier. A prime supplier shall provide the amount of allocated product stated in the energy state set-aside order.*

Subd. 7. [RULES.] *The commissioner shall adopt rules, including temporary rules pursuant to section 15.0412, Subdivision 5, to govern the administration of the set-aside system. Rules shall cover matters such as the form and procedure for applications for set-aside allocations by dealers of bulk purchasers, reports on available gasoline and middle distillate supplies, orders and procedure for set-aside allocation and distribution and other rules deemed necessary or desirable in the implementation and administration of the set-aside system, including monthly reports of anticipated deliveries and actual sales of gasoline, middle distillates, propane, aviation fuels, and residual oils.*

Subd. 8. [CRITERIA.] *The commissioner may allocate gasoline and middle*

distillates from the set-aside system in accordance with the criteria in section 116H.09 and rules adopted pursuant thereto. The commissioner may prescribe additional priorities by rule.

Sec. 137. Minnesota Statutes 1980, Section 116H.10, is amended to read:

116H.10 [FORECASTS, STATISTICS AND INFORMATION.]

Subdivision 1. In order to further the purposes of sections 116H.01 to 116H.15, the ~~director~~ commissioner shall develop and maintain an effective program of collection, compilation, and analysis of energy statistics. The statistical program shall be developed to insure a central state repository of energy data and so that the state may coordinate and cooperate with other governmental data collection and record keeping programs.

Subd. 2. In addition to supplying ~~such~~ the current statistical and short range forecasting information as the ~~director~~ ~~may require~~ commissioner requires, each utility, coal supplier, petroleum supplier and large energy facility in the state shall prepare and transmit to the ~~director~~ commissioner by July 1, 1975, and every year thereafter of each year, a report specifying in five, ten, and 15 year forecasts the projected demand for energy within their respective service areas and the facilities necessary to meet the demand.

The report shall be in a form specified by the ~~director~~ commissioner and contain all information deemed relevant by the ~~director~~ commissioner.

Subd. 3. The ~~director~~ commissioner shall, to the maximum extent feasible, provide that forecasts required under this section be consistent with material required by other state and federal agencies in order to prevent unnecessary duplication.

Subd. 4. Reports issued pursuant to this section shall be available for public inspection in the office of the ~~agency~~ department during normal business hours.

Subd. 5. The ~~director~~ commissioner shall review and evaluate forecasts of energy demands and resources as they relate to the most current population growth and development estimates, statewide and regional land use, transportation, and economic development programs and forecasts.

Sec. 138. Minnesota Statutes 1980, Section 116H.11, is amended to read:

116H.11 [STATE ENERGY POLICY AND CONSERVATION REPORT.]

Subdivision 1. ~~Beginning~~ By January 1, 1976, and at least every two years thereafter of each even-numbered year, the ~~director~~ commissioner shall transmit to the governor and the legislature a comprehensive report designed to identify emerging trends related to energy supply, demand, conservation, public health and safety factors, and to specify the level of statewide and geographical area energy need. The report shall include, but not be limited to, all of the following:

(a) A final report on the accuracy and acceptability of the energy forecasts received under section 116H.10 and the alternatives to meeting that demand;

(b) An estimate of statewide and geographical area energy need for the forthcoming five and ten year period which, in the judgment of the ~~director~~ commissioner, will reasonably balance requirements of state and geographical

area growth and development, protection of public health and safety, preservation of environmental quality, and conservation of energy resources;

(c) The anticipated level of statewide and geographical area energy demand for 20 years, which shall serve as the basis for long range action;

(d) The identification of potential adverse social, economic, or environmental effects caused by a continuation of the present energy demand trends;

(e) An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels;

(f) The estimated reduction in annual energy consumption resulting from various energy conservation measures;

(g) The cost of energy to residential and rental consumers in relation to their socio-economic status;

(h) An assessment of the economic and employment implications of proposed state energy policies;

(i) The status of the department's ongoing studies;

(j) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116H.01 to 116H.15.

Subd. 2. Prior to the preparation of a final report, the ~~director~~ *commissioner* shall issue a draft report to the environmental quality board and any person, upon request, and shall hold a public meeting. Notice of the public meeting shall be provided to each regional development commission.

Subd. 3. The ~~director~~ *commissioner* shall distribute the final report to any person upon request.

Sec. 139. Minnesota Statutes 1980, Section 116H.12, Subdivision 1, is amended to read:

Subdivision 1. After consultation with the ~~director~~ *commissioner* and the commissioner of public safety, the commissioner of transportation shall, pursuant to chapter 15, promulgate regulations establishing maximum energy use standards for street, highway and parking lot lighting. ~~Such~~ *The* standards shall be consistent with overall protection of the public health, safety and welfare. No new highway, street or parking lot lighting shall be installed in violation of these regulations and existing lighting levels shall be reduced consistent with the regulations as soon as feasible and practical, consistent with overall energy conservation.

Sec. 140. Minnesota Statutes 1980, Section 116H.12, Subdivision 1b, is amended to read:

Subd. 1b. The ~~director~~ *commissioner* shall ~~promulgate~~ *adopt* rules, pursuant to chapter 15, ~~by July 1, 1979,~~ setting standards covering permissible hours of operation, quantity and efficiency of outdoor display lighting and defining "outdoor display lighting".

Sec. 141. Minnesota Statutes 1980, Section 116H.12, Subdivision 2, is amended to read:

Subd. 2. The ~~director~~ *commissioner* may investigate promotional practices

by energy suppliers and, pursuant to chapter 15, may promulgate regulations to limit such practices in order to reduce the rate of growth of energy demand.

Sec. 142. Minnesota Statutes 1980, Section 116H.12, Subdivision 4, is amended to read:

Subd. 4. In recognition of the compelling need for energy conservation in order to safeguard the public health, safety and welfare, it is necessary to provide building design and construction standards consistent with the most efficient use of energy. Therefore, the commissioner of administration, in consultation with the ~~director~~ commissioner, shall, ~~no later than August 1, 1975, and~~ pursuant to chapter 15, ~~promulgate~~ adopt rules governing building design and construction standards regarding heat loss control, illumination and climate control. ~~Such standards~~ The rules shall apply to all new buildings and remodeling affecting heat loss control, illumination and climate control. ~~Such standards~~ The rules shall be economically feasible in that the resultant savings in energy procurement shall exceed the cost of the energy conserving requirements amortized over the life of the building. The ~~standards~~ rules shall become part of the state building code and be effective six months after promulgation.

Sec. 143. Minnesota Statutes 1980, Section 116H.12, Subdivision 5, is amended to read:

Subd. 5. The ~~director~~ commissioner shall conduct studies and make recommendations concerning the purchase and use by the state and its political subdivisions of supplies, motor vehicles and equipment having a significant impact on energy use in order to determine the potential for energy conservation. The ~~director~~ commissioner may ~~promulgate~~ adopt 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. 144. Minnesota Statutes 1980, Section 116H.12, Subdivision 6, is amended to read:

Subd. 6. In consultation with the ~~director~~ commissioner, the commissioner of transportation shall begin an efficiency study of the present traffic flow system within the state. The study shall consider the feasibility of a computer-coordinated traffic system and other measures for increasing the efficiency of present traffic loads.

Sec. 145. Minnesota Statutes 1980, Section 116H.12, Subdivision 9, is amended to read:

Subd. 9. In conjunction with the motor vehicle services division, the ~~director~~ commissioner shall study the feasibility of modifying motor vehicle license fees to reflect energy consumption.

Sec. 146. Minnesota Statutes 1980, Section 116H.121, Subdivision 1, is amended to read:

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~~ adopted pursuant to section 116H.12, subdivision 4, ~~to~~ shall include standards for all exist-

ing 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.

Sec. 147. Minnesota Statutes 1980, Section 116H.121, Subdivision 2, is amended to read:

Subd. 2. ~~Effective January 1, 1978,~~ The illumination standards promulgated pursuant to subdivision 1, ~~shall be~~ *are* 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~~ *commissioner* 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.~~

Sec. 148. Minnesota Statutes 1980, Section 116H.122, is amended to read:

116H.122 [ENERGY CONSERVATION IN STATE OWNED BUILDINGS.]

By June 30, 1982, the commissioner of administration, in cooperation with the ~~director~~ *commissioner*, shall complete a mini-audit or maxi-audit of all buildings which are heated and owned by the state of Minnesota, including buildings and associated facilities of the state university system, the state fairgrounds as defined in section 37.01, the Minnesota historical society building, and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, and transportation. The commissioner *of administration* shall 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. The commissioner *of administration* shall estimate the annual potential savings in units of fuel and fuel procurement costs which would be realized for each state owned building if its operating procedures were modified and it were improved to comply with each of the energy conservation standards promulgated pursuant to section 116H.121. If ~~funds appropriations~~ are inadequate to complete a mini-audit or maxi-audit of all state owned buildings, the commissioner *of administration* shall give priority to buildings of 25,000 or more square feet. If the commissioner *of administration* determines that a modification is economically feasible, in that savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, he shall recommend implementation of the modification to the legislature. The commissioner *of administration* shall submit to the legislature an annual progress report on January 1 of each year and a final progress report by December 31, 1982, indicating the number and percentage of state owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, the energy savings and costs resulting from implementing such modifications, and his findings, recommendations, and priorities for implementing economically feasible modifications.

Sec. 149. Minnesota Statutes 1980, Section 116H.123, is amended to read:

116H.123 [ENERGY CONSERVATION IN UNIVERSITY BUILDINGS.]

By June 30, 1982, the University of Minnesota, after consultation with the ~~director commissioner~~, shall complete a mini-audit or a maxi-audit of all buildings and associated facilities of the University of Minnesota which are heated. The university shall 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. The university shall estimate the annual potential savings in units of fuel and fuel procurement costs for existing heating and cooling systems, which savings would be realized for each university owned building if its operating procedures were modified and it were improved to comply with each of the energy conservation standards promulgated pursuant to section 116H.121. If ~~fund~~ appropriations are inadequate to complete a mini-audit or maxi-audit of all university owned buildings, the university shall give priority to buildings of 25,000 or more square feet. If the university determines that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. The university shall submit to the legislature an annual progress report on January 1 of each year and a final report by December 31, 1982, indicating the number and percentage of university owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, the energy savings and costs resulting from implementing such modifications, and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications.

Sec. 150. Minnesota Statutes 1980, Section 116H.124, is amended to read:

116H.124 [LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES.]

~~Subdivision 1. [BUILDING ENERGY REPORT.] The governing body of each city and county shall complete a building energy report for all existing city owned or county owned buildings within their respective jurisdictions which are heated. The building energy report shall be recorded on a form furnished by the director. Each governing body shall file the building energy report with the director by December 31, 1979, for his review and analysis.~~

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before June 30, 1980, based upon analysis of the building energy reports, the ~~director commissioner~~ shall indicate to the governing body of each city and county those buildings upon which a mini-audit, a maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the ~~director commissioner~~, and filed with the ~~director commissioner~~ by December 31, 1982.

Subd. 3. [APPEAL FROM DECISION OF DIRECTOR COMMISSIONER.] The governing body of any city or county may appeal the decision of the ~~director commissioner~~ pursuant to subdivision 2 by submitting in writing to the ~~director commissioner~~ the reasons for the appeal. No appeal may be considered by the ~~director commissioner~~ if received later than three months after notification to the city or county that a mini-audit or maxi-audit shall be performed. The ~~director commissioner~~ shall review all appeals and respond to the governing body within one month of receipt of the appeal indicating

whether the appeal is granted in full, granted in part, or denied.

Subd. 4. [CERTIFICATION OF AUDITORS.] The ~~director~~ *commissioner* may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEY.] The ~~director~~ *commissioner* may accept the results of an equivalent energy survey in place of the building energy report or audits required under this section.

Sec. 151. Minnesota Statutes 1980, Section 116H.126, is amended to read:

116H.126 [PUBLIC SCHOOL BUILDING ENERGY REPORTS AND AUDITS.]

~~Subdivision 1. [BUILDING ENERGY REPORT.] Each school district shall complete a building energy report for all existing public school buildings which it owns or operates and which are heated. The building energy report shall be recorded on a form furnished by the director. Each school district shall file the building energy reports with the director by December 31, 1979, for his review and analysis.~~

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before July 1, 1980, based upon the analysis of the building energy reports, the ~~director~~ *commissioner* shall indicate to each school district those buildings upon which a mini-audit, maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the ~~director~~ *commissioner* and filed with the ~~director~~ *commissioner* by December 31, 1982.

Subd. 3. [APPEAL FROM DECISION OF ~~DIRECTOR~~ *COMMISSIONER*.] Any school district may appeal the decision of the ~~director~~ *commissioner* pursuant to subdivision 2 by submitting in writing to the ~~director~~ *commissioner* the reasons for the appeal. No appeal may be considered by the ~~director~~ *commissioner* if received later than three months after notification to the school district that a mini-audit or maxi-audit shall be performed. The ~~director~~ *commissioner* shall review all appeals and respond to the school district within one month of receipt of the appeal indicating whether the appeal is granted in full, granted in part, or denied.

Subd. 4. [CERTIFICATION OF AUDITORS.] The ~~director~~ *commissioner* may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEYS.] The ~~director~~ *commissioner* may accept the results of an equivalent energy survey in place of the building energy report and audits required under this section.

Subd. 6. [SCHOOL DISTRICTS INTENDING TO CLOSE PUBLIC SCHOOL BUILDINGS.] A school district intending to permanently close or otherwise discontinue use of any existing public school building by January 1, 1985, shall not be required to comply with this section as to those buildings, if a certification of intent to close the building is filed with the ~~director~~ *commissioner*.

~~Subd. 7. [STUDY OF CAPABILITY OF ENERGY MANAGEMENT PERSONNEL.] The director shall conduct a study of the capabilities and level of training of school district energy management personnel. The report shall~~

include recommendations and shall be submitted to the legislature by January 1, 1980.

Sec. 152. Minnesota Statutes 1980, Section 116H.127 is amended to read:

116H.127 [SOLAR ENERGY SYSTEM STANDARDS OF PERFORMANCE.]

The ~~building code division of the department~~ *commissioner* of administration in consultation with the ~~agency~~ *commissioner* shall ~~promulgate~~ *adopt* rules by ~~December 31, 1976~~, concerning quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975, to insure that within the existing state of development, solar energy systems as defined in section 116H.02, subdivision 11, which are sold or installed within this state, are effective and represent a high standard of quality of material, workmanship, design, and performance. The ~~department~~ *commissioner* of administration in consultation with the ~~energy~~ *agency* ~~commissioner~~ shall ~~modify existing standards and promulgate new standards subsequent to December 31, 1976~~, *amend the rules* as new technology and materials become available, or as standards are revised by the federal government.

Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.

Sec. 153. Minnesota Statutes 1980, Section 116H.128, is amended to read:

116H.128 [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.]

The ~~director~~ *commissioner* shall continuously identify, monitor, and evaluate in terms of potential direct benefit to, and possible implementation in Minnesota, research studies and demonstration projects of alternative energy systems and methodologies currently performed in Minnesota and other states and countries including:

- (a) Solar energy systems for heating and cooling;
- (b) Energy systems using wind, agricultural wastes, forestry products, peat, and other nonconventional energy resources;
- (c) Devices and technologies increasing the energy efficiency of energy consuming appliances, equipment, and systems;
- (d) Hydroelectric power; and
- (e) ~~Such~~ Other projects as the ~~director~~ *commissioner* deems appropriate and of direct benefit to Minnesota and other states of the upper midwest.

Sec. 154. Minnesota Statutes 1980, Section 116H.129, Subdivision 1, is amended to read:

Subdivision 1. ~~Before January 1, 1979~~, The commissioner of administration, in consultation with the ~~director~~ *commissioner* and the appropriate standing committees of the legislature, shall ~~promulgate~~ *adopt* rules containing

minimum energy efficiency standards for existing residences. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the ~~director~~ *commissioner* in the state register, will exceed the cost of the energy conserving requirements amortized over the five-year period subsequent to the incurring of ~~such~~ *the* cost. The costs computed under this section shall include reasonable inflation and interest factors. ~~Not later than January 1, 1981, the commission shall amend~~ The rules ~~to~~ *shall* require that energy conserving requirements shall be amortized over a ten year period.

Sec. 155. Minnesota Statutes 1980, Section 116H.129, Subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS.] The ~~energy agency~~ *commissioner* shall conduct inspections on a random basis for compliance with the provisions of subdivision 3.

Sec. 156. Minnesota Statutes 1980, Section 116H.129, Subdivision 5, is amended to read:

Subd. 5. [RESIDENTIAL ENERGY DISCLOSURE PROGRAM.] ~~By May 1, 1980,~~ The commissioner of administration, in consultation with the ~~director of the energy agency~~ *commissioner* and the appropriate standing committees of the legislature, shall ~~promulgate~~ *adopt* rules providing for residential energy disclosure requirements and shall approve forms for the purposes of this subdivision. The rules and forms shall provide only for the disclosure of structural characteristics, energy use characteristics relating to energy consumption and conservation, and the extent of compliance with standards adopted pursuant to subdivision 1. Nothing in the forms shall indicate or be deemed to indicate that the residence meets all state building code specifications.

Sec. 157. Minnesota Statutes 1980, Section 116H.129, Subdivision 6, is amended to read:

Subd. 6. [BUILDING EVALUATORS.] ~~By August 1, 1980,~~ The commissioner of administration shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy disclosure requirements. The commissioner of administration shall, by rule pursuant to chapter 15, establish standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner of *administration* shall encourage the certification of existing groups of trained municipal personnel and individuals from public service organizations. ~~Effective August 1, 1980,~~ Each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy disclosure requirements. The inspections shall be made within 30 days of the request.

Sec. 158. Minnesota Statutes 1980, Section 116H.129, Subdivision 8, is amended to read:

Subd. 8. ~~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~~ *adopted* pursuant to section 116H.12, subdivision 4, ~~to~~ *shall* require that electrical service to indi-

vidual 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. 159. Minnesota Statutes 1980, Section 116H.13, is amended to read:

116H.13 [CERTIFICATE OF NEED.]

Subdivision 1. The ~~director~~ commissioner shall, pursuant to chapter 15 and sections 116H.01 to 116H.15, ~~promulgate~~ adopt assessment of need criteria to be used in the determination of need for large energy facilities pursuant to this section.

Subd. 2. ~~On and after the effective date of the assessment of need criteria adopted pursuant to subdivision 1,~~ No large energy facility shall be sited or constructed in Minnesota without the issuance of a certificate of need by the ~~director~~ commissioner pursuant to sections 116H.01 to 116H.15 and consistent with the criteria for assessment of need.

Subd. 3. No proposed large energy facility shall be certified for construction unless the applicant has justified its need. In assessing need, the ~~director~~ commissioner shall evaluate:

- (1) The accuracy of the long range energy demand forecasts on which the necessity for the facility is based;
- (2) The effect of existing or possible energy conservation programs under sections 116H.01 to 116H.15 or other federal or state legislation on long term energy demand;
- (3) The relationship of the proposed facility to overall state energy needs, ~~such as are~~ described in the most recent state energy policy and conservation report prepared pursuant to section 116H.11;
- (4) Promotional activities which may have given rise to the demand for this facility;
- (5) Socially beneficial uses of the output of this facility, including its uses to protect or enhance environmental quality;
- (6) The effects of the facility in inducing future development;
- (7) Possible alternatives for satisfying the energy demand including but not limited to potential for increased efficiency of existing energy generation facilities;
- (8) The policies, rules and regulations of other state and federal agencies and local governments; and
- (9) Any feasible combination of energy conservation improvements, required by the public utilities commission pursuant to section 216B.241, that can ~~(1)~~ (a) replace part or all of the energy to be provided by the proposed facility, and ~~(2)~~ (b) compete with it economically.

Subd. 4. ~~After promulgation of the criteria for assessment of need,~~ Any

person proposing to construct a large energy facility shall apply for a certificate of need prior to construction of the facility. The application shall be on forms and in a manner established by the ~~director~~ commissioner. In reviewing each application the ~~director~~ commissioner shall hold at least one public hearing pursuant to chapter 15. The public hearing shall be held at a location and hour reasonably calculated to be convenient for the public. An objective of the public hearing shall be to obtain public opinion on the necessity of granting a certificate of need. The ~~director~~ commissioner shall designate ~~an energy agency~~ a department employee whose duty shall be to facilitate citizen participation in the hearing process.

Subd. 5. Within six months of the submission of an application, the ~~director~~ commissioner shall approve or deny a certificate of need for the facility. ~~Such~~ Approval or denial of the certificate shall be accompanied by a statement of the reasons for the decision. Issuance of the certificate may be made contingent upon modifications required by the ~~director~~ commissioner.

Subd. 6. Any application for a certificate of need shall be accompanied by the fee required pursuant to this subdivision. The maximum fee shall be \$50,000, except for an application for an electric power generating plant as defined in section 116H.02, subdivision 5, clause (a) or a high voltage transmission line as defined in section 116H.02, subdivision 5, clause (b), for which the maximum fee shall be \$100,000. The ~~director~~ commissioner may require an additional fee to recover the costs of any rehearing. The fee for a rehearing shall not be greater than the actual cost of the rehearing or the maximum fee specified above, whichever is less. The ~~director~~ commissioner shall establish by rule pursuant to chapter 15 and sections 116H.01 to 116H.15, a schedule of fees based on the output or capacity of the facility and the difficulty of assessment of need. ~~Funds~~ Money collected in this manner shall be credited to the general fund of the state treasury.

Subd. 7. Other state agencies authorized to issue permits for siting, construction or operation of large energy facilities, and those state agencies authorized to participate in matters before the Minnesota public utilities commission involving utility rates and adequacy of utility services, shall present their position regarding need and participate in the public hearing process prior to the issuance or denial of a certificate of need. Issuance or denial of certificates of need shall be the sole and exclusive prerogative of the ~~director~~ commissioner and said determinations and certificates shall be binding upon other state departments and agencies, regional, county and local governments and special purpose government districts except as provided in sections 116C.01 to 116C.08 and 116D.04, subdivision 9.

Subd. 8. This section shall not apply in any case where the ~~director~~ commissioner shall determine after being advised by the attorney general that its application has been preempted by federal law.

Sec. 160. Minnesota Statutes 1980, Section 116H.14, is amended to read:

116H.14 [SUBPOENA POWER.]

The ~~director~~ commissioner shall have the power, for the purposes of sections 116H.01 to 116H.15, to issue subpoenas for production of books, records, correspondence and other information and to require attendance of witnesses. ~~Such~~ The subpoenas may be served anywhere in the state by any person

authorized to serve processes of courts of record. If a person does not comply with a subpoena, the ~~director~~ *commissioner* may apply to the district court of Ramsey county and the court shall compel obedience to the subpoena by a proper order. A person failing to obey the order is punishable by the court as for contempt.

Sec. 161. Minnesota Statutes 1980, Section 116H.15, Subdivision 2, is amended to read:

Subd. 2. The provisions of sections 116H.01 to 116H.15, 325F.20, and 325F.21, or any rules or regulations promulgated hereunder may be enforced by injunction, action to compel performance or other appropriate action in the district court of the county wherein the violation takes place. The attorney general shall bring any action under this subdivision upon the request of the ~~director~~ *commissioner*, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Sec. 162. Minnesota Statutes 1980, Section 116H.17, is amended to read:

116H.17 [ENERGY AUDITS.]

The ~~director of the energy agency~~ *commissioner*, in cooperation with the director of consumer services, shall develop the state plan for the program of energy audits of residential and commercial buildings required by 42 United States Code, Section 8211 et seq. The consumer services division and the attorney general are authorized to release information on consumer complaints about the operation of the program to the ~~energy agency~~ *commissioner*.

Sec. 163. Minnesota Statutes 1980, Section 116H.18, is amended to read:

116H.18 [ENERGY EFFICIENT BUILDING EDUCATION.]

The ~~energy agency~~ *commissioner* shall develop a program to provide information and training to contractors, engineers and architects on techniques and standards for the design and construction of buildings which maximize energy efficiency. The program may include the production of printed materials and the development of training courses.

Sec. 164. Minnesota Statutes 1980, Section 116H.19, Subdivision 1, is amended to read:

Subdivision 1. The ~~director of the energy agency~~ *commissioner*, in consultation with the commissioner of agriculture, and the ~~commissioner of economic development~~, shall ~~prepare a plan for the creation and organization of~~ *organize* a Minnesota biomass center, ~~to be delivered to the legislature by January 1, 1981.~~

The center shall be the focus of biomass energy activities for the state. To the maximum extent possible, the center shall coordinate its activities and the use of its staff and facilities with those of other entities involved in biomass energy projects.

Sec. 165. Minnesota Statutes 1980, Section 116H.23, is amended to read:

116H.23 [PRIORITIES FOR FUNDING.]

All applications for funding shall be made to the ~~director of the Minnesota energy agency~~ *commissioner*. Applications shall be accompanied by a report on the energy using characteristics of the building and any other information

the ~~director commissioner~~ may reasonably require. A school or local government may apply to the ~~director commissioner~~ to receive reimbursement for up to the reasonable costs of mini-audits or maxi-audits performed pursuant to section 116H.124 or 116H.126. ~~Notwithstanding any other law to the contrary, schools and local governments which submit their maxi-audits or mini-audits to the director prior to or on December 31, 1980 may use the state funds received to pay part of or all of the reasonable costs of energy conservation measures. In the event that the applicant receives federal funds money pursuant to the National Energy Conservation Policy Act, P.L. 95-619, which funds are that is intended to be used to pay part or all of the costs of a mini-audit or maxi-audit, the applicant shall receive state funds money, which, when combined with federal funds money received, equal equals the reasonable costs of the mini-audit or maxi-audit. The director shall not prior to December 31, 1980, order maxi-audits for more than one-third of the buildings for which building energy reports are submitted.~~

Sec. 166. Minnesota Statutes 1980, Section 120.78, Subdivision 1, is amended to read:

Subdivision 1. On or before December 31 of each year each school district shall submit to the commissioner of education, in such manner and upon such forms as he shall furnish, a comprehensive report of the energy consumed by the district during the previous school year ending June 30. The report shall include: (1) a building energy report, as defined in section 116H.02, on each building and other structure maintained by the district; (2) the amount of fuel used to transport students to and from school and between schools; and (3) ~~such~~ other information as the commissioner ~~may require~~ *requires* related to the consumption of energy. The report shall be developed by the commissioner in consultation with the ~~director of the energy agency commissioner of energy, planning and development.~~

Sec. 167. Minnesota Statutes 1980, Section 124.225, Subdivision 4a, is amended to read:

Subd. 4a. To predict the total authorized cost per weighted FTE for each district beginning in the 1980-1981 school year, each regional multiple regression formula shall use the following terms and their squares for each district in the region:

- (1) The area of the district measured in square miles;
- (2) The district's average daily membership;
- (3) The total number of authorized FTE's transported by the district;
- (4) The total number of authorized FTE's transported by the district in the handicapped, shared time special education, and to and from board and lodging facility transportation categories as a percentage of the total number of authorized FTE's transported by the district;
- (5) The number of authorized FTE's transported by the district in the board and lodging transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (6) The number of authorized FTE's transported by the district in the between schools transportation category as a percentage of the total number of authorized FTE's transported by the district;

(7) The number of authorized FTE's transported by the district in the shared time regular transportation category as a percentage of the total number of authorized FTE's transported by the district;

(8) The number of authorized FTE's transported by the district in the secondary vocational center transportation category as a percentage of the total number of authorized FTE's transported by the district;

(9) The number of authorized FTE's per square mile transported by the district in the regular transportation category;

(10) The number of authorized FTE's per square mile transported by the district in the handicapped transportation category;

(11) The number of authorized FTE's transported by the district in the regular transportation category as a percentage of the district's average daily membership;

(12) An index of the district's shape computed by the department of education based on a comparison of the perimeter of the district to the perimeter of a circle with the same square mile area as the district;

(13) The percentage of the district's square mile area which is classified by the ~~state planning agency~~ *commissioner of energy, planning and development* as water-covered or marshland;

(14) The number of 40 acre parcels of land in the district which are contiguous to or intersected by unpaved roads, as a percentage of the number of 40 acre parcels of land in the district which are contiguous to or intersected by any roads, paved or unpaved. The number of 40 acre parcels of each type shall be obtained from the ~~state planning agency~~ *commissioner of energy, planning and development*;

(15) The percentage of the district's square mile area which is classified by the state planning agency as having a slope of land exceeding six percent;

(16) The number of authorized FTE's transported to nonpublic schools by the district in the regular transportation category as a percentage of the total number of authorized FTE's transported by the district in the regular transportation category.

Sec. 168. Minnesota Statutes 1980, Section 126.111, Subdivision 2, is amended to read:

Subd. 2. The commissioner of education in consultation with the ~~director of the energy agency~~ *commissioner of energy, planning and development* 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~~ *money becomes* available.

Sec. 169. Minnesota Statutes 1980, Section 137.31, Subdivision 6, is amended to read:

Subd. 6. [ANNUAL REPORT.] The University of Minnesota shall submit

an annual report as provided in section 3.195, to the governor and the legislature, with a copy to the commissioner of ~~economic development~~ *energy, planning and development*, indicating the progress being made toward the objectives and goals of this section. The report shall include the following information:

(a) The total dollar value and number of procurement contracts identified and set aside during this period and the percentage of total value of university procurements that this figure reflects;

(b) The number of small businesses identified by and responding to the university set aside program, the total dollar value and number of procurement contracts actually awarded to small businesses with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the total number of small businesses that were awarded procurement contracts;

(c) The total dollar value and number of procurement contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the percentages of the total value of university procurements the figures of total dollar value and the number of procurement contracts reflect; and

(d) The number of procurement contracts which were designated and set aside pursuant to this section but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to regular procurement procedures.

Sec. 170. Minnesota Statutes 1980, Section 138.93, Subdivision 4, is amended to read:

Subd. 4. [MASTER PLANS.] The owner shall prepare and submit to the regional planning commission a master plan for the development and management of the center, in a format and detail appropriate for the project. The regional planning commission shall choose a project and report its choice to the Minnesota historical society. The Minnesota historical society shall make the master plan available for review and comment by the public and other state agencies for at least 30 days. Copies of the master plan shall be submitted to the ~~state planning agency~~ *commissioner of energy, planning and development* for review and comment.

Sec. 171. Minnesota Statutes 1980, Section 145.834, is amended to read:

145.834 [CERTIFICATE OF NEED REQUIRED.]

No construction or modification of or predevelopment activities by a health care facility, whether public, nonprofit, or proprietary, shall be commenced or offered unless a certificate of need has been issued therefor in accordance with sections 145.832 to 145.845. The state planning agency, as the administrative authority for the National Health Planning and Resource Development Act of 1974, 42 U.S.C., Section 300k, et seq., shall enter into an agreement with the commissioner of health under which the commissioner of *health* shall ~~promulgate~~ *adopt* rules governing the administration of sections 145.832 to 145.845. The commissioner of health shall ~~promulgate~~ *adopt* rules to define the com-

mencement of a construction or a modification or predevelopment activities and other rules necessary to implement, enforce and administer sections 145.832 to 145.845. All rules heretofore ~~promulgated~~ *adopted* by the state planning agency pursuant to certificate of need shall remain in effect until ~~modified~~ *amended* or repealed by the rules of the commissioner of health.

Sec. 172. Minnesota Statutes 1980, Section 145.835, Subdivision 1, is amended to read:

Subdivision 1. [PRECONSTRUCTION NOTICE.] No health care facility, or person, group, corporation or association intending to embark upon a program of construction or modification of a health care facility, shall engage architectural, professional consultation, other predevelopment activities, or fund raising services with respect to construction or modification until it has notified the health systems agency of its intention to engage ~~such the~~ services or activities. The notice shall state simply the nature of the architectural, professional consultation, other predevelopment activities, or fund raising services to be engaged and the nature of the construction or modification contemplated. Upon receipt of notice under this section, the health systems agency shall promptly notify the commissioner of health and the ~~state planning agency~~ *commissioner of energy, planning and development*.

Sec. 173. Minnesota Statutes 1980, Section 145.836, Subdivision 1, is amended to read:

Subdivision 1. [APPLICATION PROCEDURE.] Applications for certificate of need shall be submitted to the health systems agency serving the area in which the proposed construction or modification is to take place. Prior to acting on the application and within ten days of receipt, the health systems agency shall send a copy to the commissioner of health and to the ~~state planning agency~~ *commissioner of energy, planning and development* with a recommendation that the application be considered either complete or incomplete. The commissioner of health shall determine that the application is initially complete or incomplete within ten days of receipt of a recommendation from a health systems agency. If the application is incomplete, it is not to be considered to be submitted to the health systems agency or the commissioner and it shall be returned stating the specific needs to be met in order for the application to be considered complete.

Sec. 174. Minnesota Statutes 1980, Section 145.837, Subdivision 1, is amended to read:

Subdivision 1. [CRITERIA FOR REVIEW.] The commissioner of health shall, after consulting with the ~~state planning agency~~ *commissioner of energy, planning and development* and the health systems agencies, ~~promulgate~~ *adopt* rules governing the health systems agencies in their determinations whether certificates of need are required and in their review of applications for certificates of need pursuant to sections 145.832 to 145.845. The rules shall provide for the consideration of at least the following criteria:

(a) The relationship of the proposed construction or modification to the applicable health system plan and annual implementation plan;

(b) The relationship of the construction or modification being proposed to the long range development plan of the health care facility requesting the certificate of need;

(c) The need for health care facilities and services, excluding home health services, in the area and the requirements of the population of the area;

(d) The availability and adequacy of other less costly or more effective health services in the area which may serve as alternates or substitutes for the whole or any part of the service to be provided by the proposed construction or modification;

(e) The relationship of the proposed construction or modification to the existing health care system of the area, including the possible economies and improvement in service that may be derived from operation of joint, cooperative, or shared health care resources;

(f) The availability of resources, including health care providers, management personnel, and funds for both capital and operational needs for the provision of the services proposed to be provided and the availability of alternative uses of such resources for the provision of other health services;

(g) The immediate and long-term financial feasibility of the proposed construction or modification, as well as its probable impact on the operational costs and charges of the health care facility;

(h) The relationship, including the organizational relationship, of the health services proposed to be provided to ancillary or support services;

(i) The special needs and circumstances of medical teaching, research facilities and referral facilities which provide a substantial portion of their services or resources, or both, to individuals outside of the health service area;

(j) The special needs and circumstances of biomedical and behavioral research projects which are designed to meet a national need and for which local conditions offer special advantages;

(k) In the case of a construction project: the costs and methods of the proposed construction, including the costs and methods of energy provision and the probable impact of the construction project reviewed on the costs of providing health services by the person proposing the project;

(l) The special needs of hospitals to convert excess hospital beds to long-term care or other alternate functions, but only if the hospitals terminate all acute care services; and

(m) The special requirements of health maintenance organizations to meet the health care needs of their present and future subscribers.

Sec. 175. Minnesota Statutes 1980, Section 145.845, is amended to read:

145.845 [HEALTH SYSTEMS AGENCIES; MEMBERSHIP.]

The commissioner of health shall after consulting with the ~~state planning agency promulgate~~ *commissioner of energy, planning and development adopt* rules concerning the membership of health systems agencies. The rules shall:

(1) Comply with the provisions of the National Health Planning and Resources Development Act, 42 U.S.C., Section 300k, et seq.;

(2) Provide that a majority of the membership be composed of consumers;

(3) Provide for representation of hospital and nursing home providers;

(4) Provide for representation of local boards of health;

(5) Provide for representation of licensed medical doctors and other health professionals;

(6) Provide for a fixed term of membership; and

(7) Provide that members of a health systems agency shall not select their successors.

No existing health systems agency shall exercise the functions provided in sections 145.832 to 145.845 until it is in compliance with rules ~~issued~~ *adopted* pursuant to this section.

If there is no health systems agency in a designated area of the state in compliance with sections 145.832 to 145.845, the ~~Minnesota state planning agency~~ *commissioner of energy, planning and development* shall perform the functions and duties of a health systems agency for that area. In this specific instance, the ~~state planning agency~~ *commissioner of energy, planning and development* shall be exempt from utilizing the services of the hearing examiner.

Sec. 176. Minnesota Statutes 1980, Section 145.912, Subdivision 15, is amended to read:

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

Sec. 177. Minnesota Statutes 1980, Section 160.262, Subdivision 1, is amended to read:

Subdivision 1. The legislature determines that it is in the interests of the public health, safety and welfare, to provide for the addition of bicycle and recreational vehicle lanes to proposed and existing public highways. ~~The state planning agency shall conduct a study:~~

(1) ~~to propose model standards for the establishment of bicycle and recreational vehicle lanes on and along proposed and existing public highways, and~~

(2) ~~to determine methods, other than the use of bonds, for financing the bicycle and recreational vehicle lanes. The results of the study shall be forwarded to the commissioner of transportation no later than July 1, 1974.~~

~~No later than January 1, 1975, The commissioner of transportation shall promulgate adopt, in the manner provided in chapter 15, model standards for the establishment of recreational vehicle lanes on and along proposed and existing public highways. In the study undertaken by the state planning agency and in the promulgation of the model standards by the commissioner, The model standards shall include but not be limited to the following: (a) criteria for desirability of such a lane in any given location, (b) provision for maintenance of such the lanes, and (c) the placement of such the lanes in relation to roads. The model standards shall govern state trunk highways.~~

Sec. 178. Minnesota Statutes 1980, Section 160.262, Subdivision 3, is amended to read:

Subd. 3. The following departments and agencies shall cooperate in provid-

ing the information and advice for the study by the state planning agency and the promulgation of model standards and amendments thereto to the model standards by the commissioner of transportation: the departments of agriculture, transportation, economic development, natural resources, public service, the state planning agency energy, planning and development, and the state soil and water conservation board. The commissioner may cooperate with and enter into agreements with the United States government, any department of the state of Minnesota, any unit of local government and any public or private corporation in order to effect the purposes of this section.

Sec. 179. Minnesota Statutes 1980, Section 160.265, Subdivision 1, is amended to read:

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 commissioner of energy, planning and development pursuant to section 4.36, 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 commissioner of energy, planning and development, 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.

Sec. 180. Minnesota Statutes 1980, Section 174.03, Subdivision 7, is amended to read:

Subd. 7. [ENERGY CONSERVATION.] The commissioner, in cooperation with the Minnesota energy agency commissioner of energy, planning and development, shall evaluate all modes of transportation in terms of their levels of energy consumption. The director of the energy agency commissioner of energy, planning and development shall provide the commissioner with projections of the future availability of energy resources for transportation. The commissioner shall use the results of this evaluation and the projections to evaluate alternative programs and facilities to be included in the statewide plan

and to otherwise promote the more efficient use of energy resources for transportation purposes.

Sec. 181. Minnesota Statutes 1980, Section 204A.06, Subdivision 1b, is amended to read:

Subd. 1b. [PRECINCT BOUNDARIES; DESCRIPTION, MAPS.] The clerk shall file with the secretary of state and the ~~state demographer in the state planning agency~~ *commissioner of energy, planning and development* a map showing the correct boundaries of the precincts in the municipality and shall keep on file in his office for public inspection a copy of the map. At least 30 days before any change in a precinct or corporate boundary becomes effective, the clerk shall place on file for public inspection a map setting forth the revised precinct boundaries and forward copies to the secretary of state and the ~~state demographer~~ *commissioner of energy, planning and development*. For every election held in the municipality the clerk shall furnish copies of the appropriate precinct map to the election judges for each polling place.

Sec. 182. Minnesota Statutes 1980, Section 216B.241, Subdivision 2, is amended to read:

Subd. 2. [PROGRAMS.] ~~Prior to January 1, 1981,~~ The commission, ~~after consultation with the energy agency,~~ shall initiate a pilot program designed to demonstrate the feasibility of investments and expenses of a public utility in energy conservation improvements. The commission, as part of the pilot program, shall order at least one public utility to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements shall be offered to the customers. The order of the commission shall provide to the extent practicable for a free choice of contractor, qualified under the residential conservation services program of the energy agency, for consumers participating in the pilot program. The commission shall not order a utility to make any energy conservation improvement investment or expenditure unless it first finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. Investments and expenditures made pursuant to an order shall be treated for ratemaking purposes in the manner prescribed in section 216B.16, subdivision 5b. No utility shall make an energy conservation improvement pursuant to this section to a residential building envelope unless it is the primary supplier of energy used for either space heating or cooling in the building.

Sec. 183. Minnesota Statutes 1980, Section 222.62, is amended to read:

222.62 [COOPERATION OF OTHER STATE AGENCIES.]

Upon the request of the commissioner, the commissioner of ~~economic development~~ *energy, planning and development*, the commissioner of banks, and the commissioner of securities and real estate shall provide technical assistance and shall otherwise cooperate in carrying out the provisions of sections 222.55 to 222.62.

Sec. 184. Minnesota Statutes 1980, Section 222.65, is amended to read:

222.65 [ADVISORY TASK FORCE.]

The commissioner of transportation may establish an advisory task force in

the manner provided in section 15.059 to advise the department concerning the implementation of the rail service improvement program, the federal rail service continuation program, the state rail bank program, and the rail user loan guarantee program. The task force may include representatives of departments of agriculture, commerce, ~~economic development~~, natural resources, ~~the energy agency~~ *energy, planning and development*, state planning agency, railroad companies, railroad labor organizations, and rail users.

Sec. 185. Minnesota Statutes 1980, Section 245.783, Subdivision 2, is amended to read:

Subd. 2. The commissioner shall be responsible for processing applications for licensure made under ~~Laws 1976, Chapter 243 sections 245.781 to 245.812 and section 252.28; subdivision 2.~~ State agencies and departments including, but not limited to, the state fire marshal, state building code, state commissioner of health and ~~state planning agency~~ *commissioner of energy, planning and development*, which are involved in the investigation and review of a facility or an applicant's qualifications shall direct their employees to report directly to the commissioner on these matters and shall be subject to the rules promulgated by the commissioner with respect to the coordination of licensing and inspection functions. This subdivision relates only to other state departments or agencies and confers no additional powers or duties upon the commissioner respecting federal, county, municipal, or other nonstate agencies. Nothing in this subdivision shall prevent the state fire marshal from delegating inspection duties to local units of government.

Sec. 186. Minnesota Statutes 1980, Section 268.014, is amended to read:

268.014 [COOPERATION WITH OTHER STATE AGENCIES.]

To effectively coordinate job training and placement services with future job needs of the state the commissioner shall maintain close liaison, coordination and cooperation with the ~~department of economic development~~ *commissioner of energy, planning and development* and any other state agency involved in employment issues affecting the state.

Sec. 187. Minnesota Statutes 1980, Section 273.74, Subdivision 2, is amended to read:

Subd. 2. [CONSULTATIONS; COMMENT AND FILING.] Before formation of a tax increment financing district, the authority shall provide an opportunity to the members of the county boards of commissioners of any county in which any portion of the proposed district is located and the members of the school board of any school district in which any portion of the proposed district is located to meet with the authority. The authority shall present to the members of the county boards of commissioners and the school boards its estimate of the fiscal and economic implications of the proposed tax increment financing district. The members of the county boards of commissioners and the school boards may present their comments at the public hearing on the tax increment financing plan required by subdivision 3. Upon adoption of the tax increment financing plan, the authority shall file the same with the ~~state planning agency~~ *commissioner of energy, planning and development*.

Sec. 188. Minnesota Statutes 1980, Section 273.74, Subdivision 5, is amended to read:

Subd. 5. [ANNUAL DISCLOSURE.] For all tax increment financing dis-

tricts, whether created prior or subsequent to August 1, 1979, on or before July 1 of each year, the authority shall submit to the county board, the school board, the ~~state planning agency commissioner of energy, planning and development~~ and, if the authority is other than the municipality, the governing body of the municipality a report of the status of the district. The report shall include the following information: the amount and the source of revenue in the account, the amount and purpose of expenditures from the account, the amount of any pledge of revenues, including principal and interest on any outstanding bonded indebtedness, the original assessed value of the district, the captured assessed value retained by the authority, the captured assessed value shared with other taxing districts, the tax increment received and any additional information necessary to demonstrate compliance with any applicable tax increment financing plan. An annual statement showing the tax increment received and expended in that year, the original assessed value, captured assessed value, amount of outstanding bonded indebtedness and any additional information the authority deems necessary shall be published in a newspaper of general circulation in the municipality.

Sec. 189. Minnesota Statutes 1980, Section 275.53, Subdivision 1, is amended to read:

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 federal census, by a census taken pursuant to subdivision 2, or by a population estimate made by the metropolitan council, or by the population estimate of the ~~state demographer commissioner of energy, planning and development~~ made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of count or estimate, up to and including July 1 of the current levy year. Population changes established after July 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. 190. Minnesota Statutes 1980, Section 275.53, Subdivision 3, is amended to read:

Subd. 3. (a) In any year in which the population estimate for a governmental subdivision provided by the ~~state demographer commissioner of energy, planning and development~~ pursuant to subdivision 4 increases the amount of tax that the governmental subdivision may levy pursuant to sections 275.50 to 275.56, the governing body of the governmental subdivision shall publish notice of the estimate and the fact that it may result in an increased tax levy at least once in a legal newspaper of general circulation in the subdivision by August 1.

(b) Within 30 days following the publication of the notice, ten percent or more of the registered voters of the subdivision, or, if the subdivision does not require voter registration, then ten percent or more of its voters, who voted at the subdivision's last election, may sign and submit to the governing body of this subdivision a petition demanding a special census.

(c) 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.

(d) Upon the receipt of a petition conforming to this subdivision, the governing body shall contract for the taking of a special census pursuant to the provisions of subdivision 2.

Sec. 191. Minnesota Statutes 1980, Section 275.53, Subdivision 4, is amended to read:

Subd. 4. In any year in which the annual population estimate of the ~~state demographer~~ *commissioner of energy, planning and development* is the population of a governmental subdivision pursuant to subdivision 1, the governing body of the governmental subdivision may challenge the accuracy of the estimate by notifying the ~~state demographer~~ *commissioner* of its objections to the estimate by June 1. If the governing body of the governmental subdivision and the ~~state demographer~~ *commissioner* agree on a revised population estimate by July 1, the revised estimate shall become the annual population estimate of the ~~state demographer~~ *commissioner* for that governmental subdivision for that year.

Sec. 192. Minnesota Statutes 1980, Section 290.06, Subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL ENERGY CREDIT.] A credit of 20 percent of the first \$10,000 of renewable energy source expenditures, including the expenditures described in clauses (a), (b) and (d) if made by an individual taxpayer on a Minnesota building of six dwelling units or less and expenditures for biomass conversion equipment described in clause (c), may be deducted from the tax due under this chapter for the taxable year in which the expenditures were made. For purposes of this subdivision, the term "building" shall include a condominium or townhouse used by the taxpayer as a residence. In the case of qualifying expenditures incurred in connection with a building under construction by a contractor, the credit shall be deducted from the tax liability of the first individual to purchase the building for use as a principal residence or for residential rental purposes; the contractor shall not be eligible for the credit given pursuant to this subdivision for that expenditure.

A "renewable energy source expenditure" which qualifies shall include:

(a) Expenditures which qualify for the federal renewable energy source credit, pursuant to Section 44C of the Internal Revenue Code of 1954, as amended through December 31, 1979, and any regulations promulgated pursuant thereto, provided that, after December 31, 1980, any solar collector included in the claimed expenditure is certified by the ~~energy agency~~ *commissioner of energy, planning and development*. A solar collector is a device designed to absorb incident solar radiation, convert it to thermal energy, and transfer the thermal energy to a fluid passing through or in contact with the device. "Solar collector" shall not include passive solar energy systems as defined in clause (d);

(b) Expenditures for earth sheltered dwelling units. For purposes of this credit, an "earth sheltered dwelling unit" shall mean a structure which complies with applicable building standards and which is constructed so that:

(1) 80 percent or more of the roof area is covered with a minimum depth of 12 inches of earth; and

(2) 50 percent or more of the wall area is covered with a minimum depth of

12 inches of earth; and

(3) Those portions of the structure not insulated with a minimum of seven feet of earth shall have additional insulation;

(c) Expenditures for biomass conversion equipment located in Minnesota which produces ethanol, methane or methanol for use as a gaseous or as a liquid fuel which is not offered for sale; and

(d) Expenditures for passive solar energy systems. For purposes of this credit, a "passive solar energy system" is defined to include systems which utilize elements of the building and its operable components to heat or cool a building with the sun's energy by means of conduction, convection, radiation, or evaporation. A passive system shall include:

(1) Collection aperture, including glazing installed in south facing walls and roofs; and

(2) Storage element, including thermal mass in the form of water, masonry, rock, concrete, or other mediums which is designed to store heat collected from solar radiation.

A passive system may include *either or both*:

(1) Control and distribution element, including fans, louvers, and air ducts; and/or

(2) Retention element, including movable insulation used to minimize heat loss caused by nocturnal radiation through areas used for direct solar heat gain during daylight hours.

Eligible passive expenditures shall be for equipment, materials or devices that are an integral part of the components listed above and essential to the functioning of a passive design which qualifies pursuant to rules promulgated adopted by the commissioner of revenue in cooperation with the director of the energy agency commissioner of energy, planning and development. Expenditures for equipment, materials, or devices which are a part of the normal heating, cooling, or insulation system of a building are not eligible for the credit.

If a credit was allowed to a taxpayer under this subdivision for any prior taxable year, the dollar amount of the maximum expenditure for which a taxpayer may qualify for a credit under this subdivision in subsequent years shall be \$10,000 reduced by the amount of expenditures which a credit was claimed pursuant to this subdivision in prior years. A taxpayer shall never be allowed to claim more than \$10,000 of expenditures during the duration of the renewable energy credit.

The credit provided in this subdivision shall not be allowed in a taxable year if the amount of the credit would be less than \$10.

If the credit allowable under this subdivision exceeds the amount of tax due in a taxable year, the excess credit shall not be refunded but may be carried forward to the succeeding taxable year and added to the credit allowable for that year. No amount may be carried forward to a taxable year beginning after

December 31, 1984.

A shareholder in a family farm corporation and each partner in a partnership operating a family farm shall be eligible for the credit provided by this subdivision in the same manner and to the same extent allowed a joint owner of property under section 44C (d) of the Internal Revenue Code of 1954, as amended through December 31, 1979. "Family farm corporation" and "family farm" have the meanings given in section 500.24.

The credit provided in this subdivision is subject to the provisions of Section 44C, (c) (7), (d) (1) to (3), and (e), of the Internal Revenue Code of 1954, as amended through December 31, 1979, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the ~~director of the energy agency~~ *commissioner of energy, planning and development* shall ~~promulgate~~ *adopt* rules establishing additional qualifications and definitions for the credits provided in this subdivision.

Notwithstanding section 290.61, the commissioner of revenue may request the ~~energy agency~~ *commissioner of energy, planning and development* to assist in the review and auditing of the information furnished by the taxpayer for purposes of claiming this credit. The provisions of section 290.61 shall apply to employees of the ~~energy agency~~ *department of energy, planning and development* who receive information furnished by a taxpayer for purposes of claiming this credit.

The ~~director of the energy agency~~ *commissioner of energy, planning and development* shall ~~promulgate~~ *adopt* rules establishing the criteria for certification of solar collectors as required by clause (a). The criteria shall:

- (1) Specify the testing procedures to be used in the evaluation of solar collectors;
- (2) Establish minimum levels of collector quality for safety;
- (3) Provide a means to determine the maintainability and structural integrity of solar collectors;
- (4) Establish a system for evaluating and rating the thermal performance of solar collectors;
- (5) Specify the procedures to follow to obtain certification of a solar collector;
- (6) Conform to the maximum extent practicable to the solar collector certification requirements of other states which have adopted certification procedures; and
- (7) Allow for individual variation so as not to hamper the development of innovative solar collectors.

The ~~director of the energy agency~~ *commissioner of energy, planning and development* may ~~promulgate~~ *adopt* temporary rules pursuant to section 15.0412, subdivision 5 to establish this certification procedure.

This subdivision is effective for expenditures made during taxable years beginning after December 31, 1978 and before January 1, 1983.

Sec. 193. Minnesota Statutes 1980, Section 298.48, Subdivision 4, is amended to read:

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, the ~~director of the state planning agency~~ *commissioner of energy, planning and development*, or a county assessor. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

Sec. 194. Minnesota Statutes 1980, Section 299A.03, Subdivision 5, is amended to read:

Subd. 5. [CHAIRPERSON; STAFF.] ~~The commissioner shall be the chairperson of the crime control planning board shall serve at the pleasure of the governor and shall receive a salary as provided by law. The chairperson shall be experienced in the administration of programs related to law enforcement or criminal justice. The chairperson, shall serve as executive director of the board, shall preside at board meetings, shall organize the work of the board, and shall appoint all employees subject to the approval of the board. The commissioner of the state department of administration shall provide the crime control planning board with reasonable office space and administrative services requested by the board, and the board shall reimburse the commissioner of finance for the cost thereof.~~

Sec. 195. Minnesota Statutes 1980, Section 299A.04, is amended to read:

299A.04 [GRANTS-IN-AID TO YOUTH INTERVENTION PROGRAMS.]

Subdivision 1. The ~~crime control planning board~~ *commissioner* may make grants to nonprofit agencies administering youth intervention programs in communities where the programs are or may be established.

“Youth intervention program” means a nonresidential community based program providing advocacy, education, counseling, and referral services to youth and their families experiencing personal, familial, school, legal or chemical problems with the goal of resolving the present problems and preventing the occurrence of the problems in the future.

Subd. 2. Applications for a grant-in-aid shall be made by the administering agency to the ~~crime control planning board~~ *commissioner*. The grant-in-aid is contingent upon the agency having obtained from the community in which the youth intervention program is established local matching money two times the amount of the grant that is sought.

The ~~crime control planning board~~ *commissioner* shall provide by rule the application form, procedures for making application form, criteria for review of the application, and kinds of contributions in addition to cash that qualify as local matching money. No grant to any agency shall exceed \$25,000.

Sec. 196. Minnesota Statutes 1980, Section 301.75, is amended to read:

301.75 [ADDITIONAL POWERS.]

In addition to the powers enumerated in section 300.08, subdivision 1, the corporation may:

(a) Borrow money and otherwise incur indebtedness for any of the purposes of the corporation; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefore and to secure the same by mortgage, pledge, deed or trust or other lien on its property, franchises, rights and privileges of every kind and nature or any part thereof.

(b) Lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith.

(c) Purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of, upon such terms and conditions as the board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations.

(d) Acquire, by purchase or otherwise, the good will, business, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations or trusts as may be in furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts and liabilities of any such person, firm, corporation, joint stock company, association or trust; to acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments thereon or for the purpose of disposing of such real estate to others for the construction of industrial plants or other business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of industrial plants or business establishments.

(e) Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and, while the owner or holder thereof, to exercise all the rights, powers and privileges of ownership, including the right to vote thereon.

(f) Cooperate with and avail itself of the facilities of the ~~department of economic development~~ *commissioner of energy, planning and development* and any similar governmental agencies; and to cooperate with and assist, and otherwise encourage, local organizations in the various communities of the state the purpose of which shall be the promotion, assistance, and development of the business prosperity and economic welfare of such communities and of this state.

Sec. 197. Minnesota Statutes 1980, Section 301.77, Subdivision 1, is amended to read:

Subdivision 1. All the corporate powers of the corporation shall be exercised

by a board of not less than eight elected directors (but the number of elected directors shall always be an even number) who shall be residents of Minnesota and, except in the case of the first board, representative of the various sections of the state as determined in the bylaws. The commissioner of ~~the department of economic development~~ *energy, planning and development* shall be, ex officio, a director with all the authority but without the liability as such, except for gross negligence or wilful misconduct. The number of directors and their term of office shall be determined in the bylaws. If any vacancy occurs in the board of directors through death, resignation, or otherwise, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.

Sec. 198. Minnesota Statutes 1980, Section 301A.01, Subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 301A.01 to 301A.14, the commissioner of ~~the department of economic development~~ *energy, planning and development* of the state shall divide the state into six tourist regions and shall keep on file in his office and in the office of the secretary of state the legal descriptions and a map of ~~such~~ *the* regions.

Sec. 199. Minnesota Statutes 1980, Section 301A.05, is amended to read:

301A.05 [ADDITIONAL POWERS.]

In addition to the powers enumerated in section 300.08, subdivision 1, the corporation may:

(1) Borrow money and otherwise incur indebtedness for any of the purposes of the corporation; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefor and to secure the same by mortgages, pledges, deeds of trust or other lien on its property, franchises, and privileges of every kind and nature or any part thereof.

(2) Lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith; to make working capital loans, take equity positions in corporations, and take second or third position mortgages.

(3) Purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of, upon such terms and conditions as the board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real property or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations.

(4) Acquire, by purchase or otherwise, the good will, business, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations of trust as may be in furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts, and liabilities of any such person, firm, corporation, joint stock company, association, or trust; to acquire im-

proved or unimproved real estate for the purpose of constructing tourist or recreational business establishments thereon or for the purpose of disposing of such real estate to others for the construction of tourist or recreational business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct, or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of tourist or recreational business establishments.

(5) Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and, while the owner or holder thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote thereon.

(6) Cooperate with and avail itself of the facilities of the ~~department of economic development~~ *commissioner of energy, planning and development* and any similar government agencies; and to cooperate and avail itself of the facilities of planning and development agencies in the regions, which agencies shall be named in the bylaws as the agencies designated for the region of incorporation; cooperate with and assist and encourage local organizations in the various communities of the state, the purpose of which shall be the promotion, assistance, and development of the tourist and recreational business prosperity and economic welfare of ~~such~~ *those* communities of the state.

Sec. 200. Minnesota Statutes 1980, Section 301A.07, Subdivision 1, is amended to read:

Subdivision 1. All the corporate powers of the corporation shall be exercised by a board of not less than nine elected directors who shall be residents of Minnesota. One-third of the directors shall be elected from persons who are actively engaged in the vacation travel industry in the region of incorporation. The remaining number of directors shall be elected from persons representative of and involved in any of the lending institutions which are nonstockholder members of the corporation. The commissioner of ~~the department of economic development of the state~~ *energy, planning and development* or his designated representative and the director or chairman of the regional development or planning agency as designated in the bylaws, or his designated representative, shall be ex officio directors, with all the authority but without the liability as ~~such~~ *directors*, except for gross negligence or willful misconduct. The number of directors and their terms of office shall be determined by the bylaws. If a vacancy occurs in the board of directors through death, resignation, or otherwise, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.

Sec. 201. Minnesota Statutes 1980, Section 325F.19, Subdivision 3, is amended to read:

Subd. 3. "~~Energy agency Commissioner~~" means the ~~Minnesota energy agency as provided in chapter 116H~~ *commissioner of energy, planning and development*.

Sec. 202. Minnesota Statutes 1980, Section 325F.19, Subdivision 6, is amended to read:

Subd. 6. "Laboratory qualified to test thermal insulation" means an approved laboratory classified by the ~~energy agency~~ *commissioner* in consulta-

tion with industry members as passing an appropriate examination of ability to perform tests and continuing inspection or follow-up service according to specifications for manufacture and installation, also referred to as "testing laboratory".

Sec. 203. Minnesota Statutes 1980, Section 325F.20, Subdivision 1, is amended to read:

Subdivision 1. ~~Within nine months of April 6, 1978, The energy agency commissioner shall promulgate adopt~~ rules pursuant to chapter 15 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. ~~Such~~ The standards, with modifications as may be deemed necessary, may be adopted by reference. The specifications ~~as promulgated adopted~~ and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. ~~Upon April 6, 1978, the energy agency may issue temporary rules pursuant to section 15.0412, subdivision 5, for the purposes of this section.~~

Sec. 204. Minnesota Statutes 1980, Section 325F.21, Subdivision 2, is amended to read:

Subd. 2. The ~~director of the energy agency commissioner~~ shall purchase from time to time unopened insulation packages which shall be sent to an approved testing laboratory to test for compliance with the specifications established under section 325F.20, subdivision 1.

Sec. 205. Minnesota Statutes 1980, Section 325F.23, Subdivision 1, is amended to read:

Subdivision 1. The outside of all containers and wrappings of insulation used or offered for sale in Minnesota shall have the following information printed legibly thereon in bold type not less than one-eighth inch high:

(a) Type (pneumatic or blown, pouring, batt, roll, blanket, board, cellular, or reflective);

(b) R value (to the nearest tenth) per inch at the recommended installation density;

(c) Required thickness in inches to obtain four or more commonly used R values and the corresponding coverage areas in square feet of the insulation in the container or wrapping;

(d) Expiration date and expected shelf life of all resins, catalysts, and foaming agents for all foam insulations, whether in powder, diluted or partially diluted state, on canister, drum, container, or package. For purposes of this section, "foam insulation" means products having an organic base or composed of vinyl or plastic material or both, which are manufactured or installed using a process involving a foaming agent, a resin, a catalyst and an air compressor, including but not limited to urea-formaldehyde, other urea-based foams, urethane foam, polyurethane foam, polystyrene foam, and isocyanurate foam.

(e) Name and address of the manufacturer of the insulation;

(f) A notation of those current specifications of the United States General Services Administration, the United States Department of Energy, the United States Department of Housing and Urban Development, the United States Consumer Product Safety Commission, the Federal Trade Commission and the *energy agency commissioner* with which the insulation complies;

(g) The net weight of the contents of the bag, package, or container.

Sec. 206. Minnesota Statutes 1980, Section 325F.24, Subdivision 3a, is amended to read:

Subd. 3a. Rules promulgated by the ~~director of the energy agency commissioner~~ pursuant to sections 325F.20, subdivision 1, and 325F.21, subdivision 1 may be enforced by the ~~director of the energy agency commissioner~~ pursuant to section 116H.15.

Sec. 207. Minnesota Statutes 1980, Section 362.12, Subdivision 1, is amended to read:

362.12 [~~SCOPE OF DEPARTMENTAL POWERS AND DUTIES.~~]

Subdivision 1. [~~ENUMERATION.~~] The ~~department~~ *commissioner* shall:

(1) Investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Minnesota business, industry, and commerce, within and outside the state;

(2) Locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(3) Investigate and study conditions affecting Minnesota business, industry, and commerce and collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the ~~department~~ *commissioner* in promoting and developing Minnesota business, industry, and commerce, both within and outside the state;

(4) Plan and develop an effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(5) Compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(6) Conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(7) Study trends and developments in the industries of the state and analyze the reasons underlying ~~such~~ *the* trends; study costs and other factors affecting successful operation of businesses within the state; and make recommendations regarding circumstances promoting or hampering business and industrial development;

(8) Serve as a clearing house for business and industrial problems of the state; and advise small business enterprises regarding improved methods of accounting and bookkeeping;

(9) Encourage and develop commerce with other states and foreign countries and devise ways and means of removing trade barriers hampering the free flow of commerce between this and other states;

(10) Cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

(11) Cooperate with other state departments, and with boards, commissions, and other state agencies, in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as ~~such~~ the use, conservation, and development may be appropriately directed or influenced by a state agency;

(12) Assemble and coordinate information relative to the status, scope, cost, and employment possibilities and the availability of materials, equipment, and labor in connection with public works projects, state, county, and municipal; recommend limitations on ~~said~~ the public works; gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment; inquire into and report to the governor, when requested by him, with respect to any program of public state improvements and the financing thereof; and request and obtain information from other state departments or agencies as may be needed properly to report thereon;

(13) Study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(14) Confer and cooperate with the executive, legislative, or planning authorities of the United States and neighboring states and of the counties and municipalities of such neighboring states, for the purpose of bringing about a coordination between the development of such neighboring states, counties, and municipalities and the development of this state;

(15) Generally, gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state, with authority to call upon other departments of the state for statistical data and results obtained by them and to arrange and compile that statistical information in ~~such~~ a manner as may seem that seems wise.

Sec. 208. Minnesota Statutes 1980, Section 362.13 is amended to read:

362.13 [ADDITIONAL POWERS AND DUTIES.]

The ~~department~~ commissioner shall:

(1) Have control of the work of carrying on a continuous program of education for businessmen;

(2) Publish, disseminate, and distribute information and statistics ~~acquired by the division of research and statistics in cooperation with that division~~;

(3) Promote and encourage the expansion and development of markets for Minnesota products;

(4) Promote and encourage the location and development of new business in

the state as well as the maintenance and expansion of existing business and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;

(5) Advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting business to locate in this state;

(6) Aid the various communities in this state in getting business to locate therein;

(7) Advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare; coordinate the activities of state-wide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to ~~such~~ the planning agencies; and encourage and assist in the organization and functioning of local planning agencies where none exist; and may provide at the request of any governmental subdivision hereinafter mentioned planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan or regional area in the state ~~providing that the department of business development~~. *The commissioner shall not perform such the planning work with respect to a metropolitan or regional area which is under the jurisdiction for such planning purposes of a county, metropolitan, regional or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional or joint planning body. The ~~department~~ commissioner is authorized to receive and expend funds money from municipal, county, regional and other planning agencies; and may accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may utilize moneys so received for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by funds money other than state appropriated funds money, and may enter into such contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons as that are necessary in the performance of its the planning assistance function of the commissioner.* In furtherance of their planning functions, any city or town, however organized, may expend funds money and contract with agencies of the federal government, appropriate departments of state government, other local units of government and with private persons;

(8) Adopt ~~such~~ measures as may best be calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ ~~such~~ other means of publicity and education as shall that will give full effect to the provisions of sections 362.07 to 362.23;

(9) Perform the functions and carry out programs heretofore performed and carried out by the tourist bureau of the department of natural resources; Plan and conduct programs of information and publicity designed to attract tourists,

visitors, and other interested persons from outside the state to this state, and in that connection encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state and work with representatives of the tourist and resort industry in carrying out its programs.

Sec. 209. Minnesota Statutes 1980, Section 362.132, is amended to read:

362.132 [SMALL BUSINESS FINANCE AGENCY.]

The commissioner of ~~economic development~~ may enter into agreements or transactions with the small business finance agency created under section 362.51 to perform any or all administrative tasks in connection with the exercise and implementation of the powers and programs of the small business finance agency.

Sec. 210. Minnesota Statutes 1980, Section 362.40, Subdivision 8, is amended to read:

Subd. 8. The remaining 20 percent of the tax revenue received by the county auditor under section 273.13, subdivision 2a shall be remitted by the county auditor to the state treasurer and shall be deposited in the ~~general fund~~ in special accounts identified as "reservation residents loan accounts" and a "nonreservation residents loan account". The amount to be credited to each reservation residents loan account shall be that percentage of the amount received from all the counties pursuant to subdivision 8 as the number of Indians living on such reservation bears to all the Indians in Minnesota, as said percentage is determined by the ~~department of economic development~~ commissioner. The amount remaining shall be credited to the nonreservation residents loan account. The amounts credited to each of these special accounts shall be used solely for making loans to Indians, in the manner provided by subdivisions 9 and 10.

Sec. 211. Minnesota Statutes 1980, Section 362.40, Subdivision 9, is amended to read:

Subd. 9. A reservation resident desiring a loan for the purpose of starting a business enterprise, expanding an existing business, or for technical and management assistance, shall make application to the ~~state department of economic development~~ commissioner. The ~~department~~ commissioner shall prescribe the necessary forms and advise the prospective borrower as to the conditions under which his application may be expected to receive favorable consideration. The tribal council shall recommend to the ~~department~~ commissioner that the loan be accepted or rejected. The ~~department~~ commissioner shall approve or reject the application taking the tribal council recommendation into consideration. If the application is approved, the ~~department~~ commissioner shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the tribal council with appropriate notations identifying the borrower. The tribal council shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the ~~state department of economic development~~ commissioner. The tribal council shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a

debt is repaid, the tribal council shall remit the amount so received plus interest paid thereon to the state treasurer through the ~~department of economic development~~ *commissioner*. The amount so received shall be credited to ~~such~~ the reservation residents loan account. The tribal council shall secure a fidelity bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of such reservation residents loan account during the fiscal year. Additional money equal to ten percent of the total amount made available to any tribal council during the fiscal year shall be paid to ~~such~~ the council prior to December 31 for the purpose of financing administrative costs.

Sec. 212. Minnesota Statutes 1980, Section 362.40, Subdivision 10, is amended to read:

Subd. 10. A nonreservation resident desiring to make a loan for the purpose of starting a business enterprise, or expanding an existing business, or for technical and management assistance shall make application to the ~~state department of economic development~~ *commissioner*, on forms prescribed by the ~~department~~ *commissioner*. The ~~department~~ *commissioner* is empowered to either accept or reject the application, based upon guidelines and conditions essentially similar to those used for the purpose of approving or rejecting reservation loans under subdivision 9. If the application is approved by the ~~state department of economic development~~ *commissioner*, the ~~department~~ *commissioner* shall forward the application, together with all the relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the commissioner of ~~economic development~~, with appropriate notations identifying the borrower. The ~~department of economic development~~ *commissioner* shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the ~~department~~ *commissioner*. The ~~department of economic development~~ *commissioner* shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent shall be charged. When any portion of a debt is repaid, the ~~department of economic development~~ *commissioner* shall remit the amount so received plus interest paid thereon to the state treasurer. The amount so received shall be credited to the nonreservation residents loan account.

Sec. 213. Minnesota Statutes 1980, Section 362.41, Subdivision 5, is amended to read:

Subd. 5. The commissioner of ~~economic development~~ shall administer this section and shall enforce the rules related to the community development corporations promulgated by the commissioner. The commissioner may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 15.

Sec. 214. Minnesota Statutes 1980, Section 362.42, is amended to read:

362.42 [BUSINESS ASSISTANCE.]

The commissioner of ~~economic development~~ shall establish within the department a business assistance center. The center shall consist of (1) a bureau of small business which shall have as its sole function the provision of assistance to small businesses in the state and (2) a bureau of licenses to assist all busi-

nesses in obtaining state licenses and permits. This center shall be accorded at least equal status with the other major operating units within the department.

Sec. 215. Minnesota Statutes 1980, Section 362.51, Subdivision 8, is amended to read:

Subd. 8. The members and governing body of the agency shall be the commissioner of ~~economic development~~ and six other members holding no other elective or appointive office of the state or any local government, appointed by the governor with advice and consent of the senate. The commissioner shall be vice chairman, and the governor shall designate the chairman from among the other members, to serve as chairman at the pleasure of the governor. Section 15.0575, governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.

Sec. 216. Minnesota Statutes 1980, Section 362.51, Subdivision 10, is amended to read:

Subd. 10. The commissioner of ~~economic development~~ shall designate an ~~assistant commissioner~~ *employee* as executive director of the agency and may appoint permanent and temporary employees necessary for the administration of the agency. The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency.

Sec. 217. Minnesota Statutes 1980, Section 362A.06, is amended to read:

~~362A.06 [APPROVAL BY COMMISSIONER OF ECONOMIC DEVELOPMENT ENERGY, PLANNING AND DEVELOPMENT.]~~

Any authority contemplating the exercise of the powers granted by sections 362A.01 to 362A.08 may apply to the commissioner of ~~economic development~~ *energy, planning and development* for information, advice, and assistance. No authority shall undertake any project herein authorized until the commissioner has approved the project, on the basis of ~~such~~ preliminary information ~~as~~ he may require, as tending to further the purposes and policies of sections 362A.01 to 362A.08. The commissioner is authorized to handle ~~such~~ *the* preliminary information in a confidential manner, to the extent requested by the authority. ~~Such~~ Approval shall not be deemed to be an approval by the commissioner or the state of the feasibility of the project or the terms of the lease to be executed or the bonds to be issued therefor, and the commissioner shall so state in communicating ~~such~~ *the* approval.

Sec. 218. Minnesota Statutes 1980, Section 402.045, is amended to read:

~~402.045 [FUNCTION OF STATE PLANNING OFFICER COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT.]~~

The ~~state planning officer~~ *commissioner of energy, planning and development* shall have authority for human services development. He may appoint professional and clerical staff as he deems necessary. The ~~state planning officer~~ *commissioner of energy, planning and development* shall:

(1) Support the development of human services boards and provide technical assistance to the boards;

(2) Disburse and monitor grants as may be available to assist human services board development;

- (3) Receive and coordinate the review of annual human services board plans;
- (4) Cooperate with other state agencies in assisting local human services integration projects; and
- (5) Maintain a file on reports, policies and documents pertaining to human services boards.

Sec. 219. Minnesota Statutes 1980, Section 402.062, Subdivision 1, is amended to read:

Subdivision 1. The human services board, with the assistance of the advisory committee established in section 402.03, shall annually prepare a single plan and budget for the development, implementation, coordination and operation of services delivered or funded by the human services board. The plan shall be in a format developed by rule of the ~~state planning agency commissioner of energy, planning and development~~. Each affected state agency shall accept the plan of the human services board in lieu of separate plan requirements for individual programs. To support the development of the budget and to provide standardized information to affected state agencies, each human services board shall adopt a standard chart of accounts to be developed by rule by the commissioner of public welfare with the approval of the commissioners of health and corrections.

Sec. 220. Minnesota Statutes 1980, Section 402.095, is amended to read:

402.095 [REPORTS TO LEGISLATURE.]

The ~~state planning agency commissioner of energy, planning and development~~ shall report to the legislature biennially not later than January 15 of odd numbered years on the experience of human services boards. The report shall include an assessment of the effect of establishment of human services boards on the cost and quality of services provided.

Sec. 221. Minnesota Statutes 1980, Section 451.09, Subdivision 2, is amended to read:

Subd. 2. A public utilities board or commission operating a steam heat system in a home rule charter city shall inform the ~~energy agency commissioner of energy, planning and development~~ of its plans to discontinue operation at least two years prior to the intended date of discontinuance of operation. ~~If the public utilities board or commission decides to discontinue operation of the steam heat system prior to July 1, 1981, it shall notify the director of the energy agency within 60 days of its decision.~~

Sec. 222. Minnesota Statutes 1980, Section 453.52, Subdivision 3, is amended to read:

Subd. 3. "City" means a city organized and existing under the laws of Minnesota or a city charter adopted pursuant thereto, and authorized by such laws or charter to engage in the local distribution and sale of electric energy; provided that any city so engaged on January 1, 1976, is authorized to continue such distribution and sale, and every city now or hereafter so authorized may exercise, either individually or as a member of a municipal power agency, all of the powers granted in sections 453.51 to 453.62. "City" also includes a city organized and existing under the laws of another state or a city charter adopted pursuant thereto that participates in a municipal power agency with Minnesota

cities and pays a full pro rata share of the expenses of the agency.

Sec. 223. Minnesota Statutes 1980, Section 462.375, is amended to read:

462.375 [REGIONAL DEVELOPMENT PLAN; FILING AND DISTRIBUTION.]

The regional planning agency shall transmit the regional development plan and any revisions thereto, ~~to any state planning agency that may exist, otherwise to the department of economic development~~ *commissioner of energy, planning and development*, the governing bodies of cooperating governmental units, and to planning agencies in contiguous areas. The agency may prepare additional copies of the plan for general distribution or sale.

Sec. 224. Minnesota Statutes 1980, Section 462.384, Subdivision 7, is amended to read:

Subd. 7. ~~“State planning officer”~~ *“Commissioner”* means the ~~governor of the state of Minnesota~~ *commissioner of energy, planning and development* exercising the authority conferred upon him by sections 4.10 to 4.17.

Sec. 225. Minnesota Statutes 1980, Section 462.385, Subdivision 1, is amended to read:

Subdivision 1. Development regions for the state shall be those regions so designated by the governor by executive order. The order shall provide for public hearings within each proposed region after which any county may request assignment to a region other than that proposed by the order. If such a request for reassignment is unacceptable to the ~~state planning officer~~ *commissioner*, the county shall remain in the originally designated region until the next session of the legislature for its review and final assignment.

Sec. 226. Minnesota Statutes 1980, Section 462.385, Subdivision 3, is amended to read:

Subd. 3. The ~~state planning agency~~ *commissioner* shall conduct continuous studies and analysis of the boundaries of regions and shall make recommendations for their modification where necessary. Modification may be initiated by a county, a commission, or by the ~~state planning officer~~ *commissioner* and will be accomplished in accordance with this section as in the case of initial designation.

Sec. 227. Minnesota Statutes 1980, Section 462.386, Subdivision 1, is amended to read:

Subdivision 1. ~~On June 1, 1969,~~ All coordination, planning, and development regions assisted or created by the state of Minnesota or pursuant to federal legislation shall conform to the regions designated by the executive order except where, after review and approval by the ~~state planning officer~~ *commissioner*, nonconformance is clearly justified. The ~~state planning officer~~ *commissioner* shall develop working agreements with state and federal departments and agencies to insure conformance with this subdivision.

Sec. 228. Minnesota Statutes 1980, Section 462.387, is amended to read:

462.387 [REGIONAL DEVELOPMENT COMMISSIONS; ESTABLISHMENT.]

Subdivision 1. [PETITION.] Any combination of counties or municipalities

representing a majority of the population of the region for which a commission is proposed may petition the ~~state planning officer~~ *commissioner* by formal resolution setting forth its desire to establish, and the need for, the establishment of a regional development commission. For purposes of this section the population of a county does not include the population of a municipality within the county.

Subd. 3. [ESTABLISHMENT.] Upon receipt of a petition as provided in subdivision 1 a regional development commission shall be established by the ~~state planning officer~~ *commissioner* and the notification of all local government units within the region for which the commission is proposed. ~~Such~~ *The* notification shall be made within 60 days of his receipt of a petition under subdivision 1.

Subd. 4. [SELECTION OF MEMBERSHIP.] The ~~state planning officer~~ *commissioner* shall call together each of the membership classifications except citizen groups, defined in section 462.388, within 60 days of the establishment of a regional development commission for the purpose of selecting the commission membership.

Sec. 229. Minnesota Statutes 1980, Section 462.39, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL PROGRAMS.] The commission is the authorized agency to receive state and federal grants for regional purposes from the following programs:

(1) Section 403 of the Public Works and Economic Development Act of 1965 (economic development districts);

(2) Section 701 of the Housing Act of 1954, as amended (multi-county comprehensive planning);

(3) Omnibus Crime Control Act of 1968;

and for the following to the extent feasible as determined by the governor:

(a) Economic Opportunity Act of 1964;

(b) Comprehensive Health Planning Act of 1965;

(c) Federal regional manpower planning programs;

(d) Resource, conservation, and development districts; or

(e) Any state and federal programs providing funds for multi-county planning, coordination, and development purposes. The ~~state planning officer~~ *commissioner* shall, where consistent with state and federal statutes and regulations, review applications for all state and federal regional planning and development grants to a commission.

Sec. 230. Minnesota Statutes 1980, Section 462.39, Subdivision 3, is amended to read:

Subd. 3. [PLANNING.] The commission shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development plan for the region. The plan shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for an orderly and economic development, public and private, of the region. The

comprehensive development plan shall recognize and encompass physical, social, or economic needs of the region, and those future developments which will have an impact on the entire region including but not limited to such matters as land use, parks and open space land needs, access to direct sunlight for solar energy systems, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, public and private, housing, and other public buildings. In preparing the development plan the commission shall use to the maximum extent feasible the resources studies and data available from other planning agencies within the region, including counties, municipalities, special districts, and subregional planning agencies, and it shall utilize the resources of the ~~state planning agency commissioner~~ to the same purpose. No development plan or portion thereof for the region shall be adopted by the commission until it has been submitted to the ~~state planning agency commissioner~~ for review and comment and a period of 60 days has elapsed after such submission. When a development plan has been adopted, the commission shall distribute it to all local government units within the region.

Sec. 231. Minnesota Statutes 1980, Section 462.391, Subdivision 2, is amended to read:

Subd. 2. [REVIEW OF INDEPENDENT AGENCIES.] The commission shall review all long term comprehensive plans of each independent commission, board, or agency prepared for its operation and development within the region but only if ~~such the~~ plan is determined by the commission to have a regional effect, a multi-community effect, or to have a substantial effect on regional development. Each plan shall be submitted to the commission before any action is taken to place the plan or any part thereof, into effect. No action shall be taken to place any plan or any part thereof into effect until 60 days have elapsed after the date of its submission to the commission or until the commission finds and notifies the submitting commission, board, or agency that the plan is consistent with its development plan for the region and the orderly and economic development of the region, whichever first occurs. If, within 60 days after the date of submission, the commission finds that a plan, or any part thereof, is inconsistent with its comprehensive plan for the region or detrimental to the orderly and economic development of the region, or any part thereof, ~~such the~~ plan shall be indefinitely suspended. An affected independent commission, board, or agency may appeal the decision of the commission suspending a plan, or part thereof, to the commission, and if the commission and the affected independent commission, board, or agency are unable to agree as to an adjustment of the plan, so that it may receive the commission's approval, then a record of the disagreeing positions shall be made and presented for consideration and disposition by the ~~state planning officer commissioner~~.

Sec. 232. Minnesota Statutes 1980, Section 462.391, Subdivision 3, is amended to read:

Subd. 3. [REVIEW OF FEDERAL AND STATE AID PROGRAMS.] The commission shall review all applications of governmental units, independent commissions, boards, or agencies operating in the region for a loan or grant from the United States of America or any agency, including state agencies and colleges or universities, for public facilities, studies, or any other purpose if the application clearly is related to the region, whether or not ~~such the~~ review is required by the federal government. The review shall advise the granting

authority as to relationship of the application to the comprehensive plans and priorities of the region as established by the region. All review actions together with copies of applications shall be submitted on a regular basis for informational purposes to the ~~state planning agency commissioner~~. The requirements of this subdivision do not apply to applications of governmental units or other political subdivisions which have been reviewed by a subregion or subdistrict which has been designated by the United States government as an authorized areawide review agency under Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966. All review actions, together with copies of applications, shall be submitted by the subregion on a regular basis to the commission for informational purposes.

Sec. 233. Minnesota Statutes 1980, Section 462.391, Subdivision 4, is amended to read:

Subd. 4. [REVIEW PROCEDURES.] The commission shall develop, in consultation with the ~~state planning officer commissioner~~, formal procedures for the review of plans, applications, and other matters required to be submitted to it by sections 462.381 to 462.396. ~~Such~~ The procedures shall be embodied in a formal resolution adopted after public hearing. After adoption the resolution shall be transmitted to each governmental unit and independent agency, board, or commission within the region.

Sec. 234. Minnesota Statutes 1980, Section 462.395, is amended to read:

462.395 [DUTIES OF STATE AGENCIES, ~~STATE PLANNING AGENCY.~~]

All state departments and agencies shall cooperate with regional development commissions established under sections 462.381 to 462.396 and shall make available to them studies, reports, data, and other informational and technical assistance within financial and personnel limitations. The ~~state planning agency and the office of local and urban affairs commissioner~~ shall coordinate the state's assistance programs to regional planning and development commissions.

Sec. 235. Minnesota Statutes 1980, Section 462.396, Subdivision 1, is amended to read:

Subdivision 1. The ~~state planning officer commissioner~~ shall determine the amount of and make grants to any commission created under sections 462.381 to 462.396 from appropriations made available for ~~such those~~ purposes, provided a work program is submitted acceptable to the ~~state planning officer commissioner~~. Any regional commission may levy a tax on all taxable property in the region to provide ~~funds money~~ for the purposes of sections 462.381 to 462.396.

Sec. 236. Minnesota Statutes 1980, Section 462.398, is amended to read:

462.398 [TERMINATION OF COMMISSION.]

Subdivision 1. Any combination of counties or municipalities representing a majority of the population of the region for which a commission exists may petition the ~~state planning officer commissioner~~ by formal resolution stating that the existence of the commission is no longer in the public welfare and interest and is not needed to accomplish the purposes of the regional development act of 1969. For purposes of this section the population of a county does

not include the population of a municipality within the county. Any formal resolution adopted by the governing body of a county or municipality for the termination of a commission shall be effective for a period of one year for the purpose of determining the requisite population of the region needed to petition the ~~state planning officer commissioner~~.

Subd. 2. Within 35 days of the receipt of the petition, the ~~state planning officer commissioner~~ shall fix a time and place within the region for a hearing. The ~~state planning officer commissioner~~ shall give notice of the hearing by publication once each week for two successive weeks before the date of the hearing in a legal newspaper in each of the counties which the commission represents. The hearing shall be conducted by members of the commission. If the commission determines that the existence of the commission is no longer in the public welfare and interest and that it is not needed to accomplish the purposes of the regional development act of 1969, the commission shall recommend to the ~~state planning officer commissioner~~ that ~~he the commissioner~~ terminate the commission. Within 60 days after receipt of the recommendation, the ~~state planning officer commissioner~~ shall terminate the commission by giving notice of the termination to all government units within the region for which the commission was established. Unless otherwise provided by this subdivision, the hearing shall be in accordance with sections 15.0411 to 15.0426.

Subd. 3. The ~~state planning officer commissioner~~ shall not accept a petition for termination more than once in 30 months for each regional development commission.

Sec. 237. Minnesota Statutes 1980, Section 462.421, Subdivision 21, is amended to read:

Subd. 21. "The commission" means the ~~state housing commission commissioner of energy, planning and development~~.

Sec. 238. Minnesota Statutes 1980, Section 462A.05, Subdivision 15b, is amended to read:

Subd. 15b. It may make grants to assist in energy conservation rehabilitation measures for existing owner occupied housing including, but not limited to: insulation, storm windows and doors, furnace or space heater repair, cleaning or replacement, chimney construction or improvement, weatherstripping and caulking, and structural or other directly related repairs essential for energy conservation. The grant to any household shall not exceed \$2,000.

To be eligible for an emergency energy conservation grant, a household must be certified as eligible to receive emergency residential heating assistance under either the federal or the state program, and either (1) have had a heating cost for the preceding heating season that exceeded 120 percent of the regional average for the preceding heating season for that energy source as determined by the ~~energy agency commissioner of energy, planning and development~~, or (2) be eligible to receive a federal energy conservation grant, but be precluded from receiving the grant because of a need for directly related repairs that cannot be paid for under the federal program. The housing finance agency shall make a reasonable effort to determine whether other state or federal loan and grant programs are available and adequate to finance the intended improvements. An emergency energy conservation grant may be made in conjunction

with grants or loans from other state or federal programs that finance other needed rehabilitation work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility for other housing finance agency loan or grant programs.

~~Temporary rules to implement this subdivision may be promulgated and amended pursuant to chapter 15. The temporary rules may remain in effect until July 1, 1981.~~

Sec. 239. Minnesota Statutes 1980, Section 473.204, Subdivision 2, is amended to read:

Subd. 2. In preparation of these standards, criteria and model ordinances, described in subdivision 1, clauses (a), (b), (d), (f), (g) and (i) and in order to assure consistency with regulations, standards, criteria and model ordinances promulgated by other state agencies, the metropolitan council shall seek the assistance and approval of the department of natural resources; in preparation of these standards, criteria and model ordinances, described in subdivision 1, clauses (c) and (e), the metropolitan council shall seek the assistance and approval of the state soil and water conservation board; in preparation of these standards, criteria and model ordinances, described in subdivision 1, clause (h), the metropolitan council shall seek the assistance and approval of the department of agriculture. In addition, the metropolitan council shall, where appropriate, seek the assistance of the ~~state planning agency commissioner of energy, planning and development~~, the Minnesota pollution control agency, soil and water conservation districts, the University of Minnesota, the department of agriculture, and other appropriate agencies.

Sec. 240. Minnesota Statutes 1980, Section 473.411, Subdivision 1, is amended to read:

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 commissioner of energy, planning and development~~, and for that purpose may create ~~such~~ advisory committees as may be necessary.

~~Such~~ The 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 as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Sec. 241. Minnesota Statutes 1980, Section 473.857, Subdivision 2, is amended to read:

Subd. 2. A hearing shall be conducted within 60 days after the request, provided that the committee shall consolidate hearings on related requests. The hearing shall not consider the need for or reasonableness of the metropolitan system plans or parts thereof. The hearing shall afford all interested persons an opportunity to testify and present evidence. The advisory committee or hearing examiner may employ the appropriate technical and professional services of the ~~state planning agency~~ *commissioner of energy, planning and development* for the purpose of evaluating disputes of fact. The proceedings shall not be deemed a contested case. Within 30 days after the hearing, the committee or hearing examiner shall report to the council respecting the proposed amendments to the system statements. The report shall contain findings of fact, conclusions, and recommendations and shall apportion the costs of the proceedings among the parties.

Sec. 242. Minnesota Statutes 1980, Section 473H.06, Subdivision 5, is amended to read:

Subd. 5. The metropolitan council shall maintain agricultural preserve maps, illustrating (a) certified long term agricultural lands; and (b) lands covenanted as agricultural preserves. The council shall make yearly reports to the ~~state planning agency~~ *commissioner of energy, planning and development* and such other agencies as the council deems appropriate.

Sec. 243. Minnesota Statutes 1980, Section 474.01, Subdivision 6, is amended to read:

Subd. 6. In order to further these purposes and policies the commissioner of ~~economic development~~ *energy, planning and development* shall investigate, shall assist and advise municipalities, and shall report to the governor and the legislature concerning the operation of this chapter and the projects undertaken hereunder, and shall have all of the powers and duties in connection therewith which are granted to him by chapter 362 with respect to other aspects of business development and research.

Sec. 244. Minnesota Statutes 1980, Section 474.01, Subdivision 7, is amended to read:

Subd. 7. Any municipality or redevelopment agency contemplating the exercise of the powers granted by this chapter may apply to the commissioner of ~~economic development~~ *energy, planning and development* for information, advice, and assistance. The commissioner is authorized to handle such prelimi-

nary information in a confidential manner, to the extent requested by the municipality.

Sec. 245. Minnesota Statutes 1980, Section 474.01, Subdivision 8, is amended to read:

Subd. 8. Each municipality and redevelopment agency upon entering into a revenue agreement, except one pertaining to a project referred to in section 474.02, subdivision 1f, shall furnish the ~~department of economic development~~ *commissioner of energy, planning and development* on the forms the ~~department~~ *commissioner* may prescribe the following information concerning the project: The name of the contracting party, the nature of the enterprise, the location, approximate number of employees, the general terms and nature of the revenue agreement, the amount of bonds or notes issued, and other information the ~~department~~ *commissioner* may deem advisable. The ~~department~~ *commissioner* shall keep a record of the information which shall be available to the public at times the ~~department~~ *commissioner* shall prescribe.

Sec. 246. Minnesota Statutes 1980, Section 641.24, is amended to read:

641.24 [LEASING.]

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, whereby the city will construct a county jail in accordance with plans approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county will lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city and the county in the manner and with the force and effect provided in chapter 474; provided that:

- (1) No tax shall be imposed upon or in lieu of a tax upon the property;
- (2) The approval of the project by the commissioner of securities and real estate shall not be required;
- (3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the ~~department of economic development~~ *commissioner of energy, planning and development*;
- (4) The rentals required to be paid under the lease agreement shall not exceed in any year four-tenths of one percent of the assessed value of property within the county, as last finally equalized before the execution of the agreement;
- (5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2, and
- (6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board.

Sec. 247. [REPEALER.]

Minnesota Statutes 1980, Sections 4.11, Subdivisions 1, 2, 3, 6, and 7; 4.15; 4.16; 16.014, Subdivision 3; 116H.001; 116H.02, Subdivisions 2 and 4; 116H.03; 116H.09, Subdivisions 2 and 3; 116H.12, Subdivision 3b; 126.52, Subdivision 12; 254A.06; 299A.03, Subdivisions 12, 13, and 14; 362.07; 362.08; 362.09; 362.10; 362.11; 362.12, Subdivisions 2 and 3; 362.15; 362.17; 362.18; 362.19; 362.23; 362.45, Subdivision 2; 462.711; and 473.571, Subdivisions 2, 3, and 4, are repealed. Minnesota Statutes 1980, Section 299A.03, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11 are repealed, effective July 1, 1982.

Sec. 248. [INSTRUCTION TO REVISOR.]

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall make the necessary changes in terminology to record the transfers of functions, powers, and duties that are provided by sections 64 to 247 from a department, agency, or board to the department of energy, planning and development, and shall renumber sections so as to place into one chapter substantially all of the sections dealing primarily with the powers and duties of the commissioner of energy, planning and development.

Sec. 249. [EFFECTIVE DATE.]

Section 136 is effective the day following final enactment; until the department of energy, planning and development begins operation, the powers granted in that section shall be exercised by the director of the Minnesota energy agency. Sections 64 and 67 are effective July 1, 1981. Sections 65 and 66, and 68 to 247 are effective when the commissioner of energy, planning and development notifies the commissioner of administration that the department of energy, planning and development is ready to begin operation, except that those sections relating to the transfer of Minnesota energy agency or the powers and duties of the director of the Minnesota energy agency are effective March 1, 1982.

OTHER AMENDATORY SECTIONS

Sec. 250. Minnesota Statutes 1980, Section 3.3005, Subdivision 3, is amended to read:

Subd. 3. When a request to spend federal money has been included in the governor's budget or authorized by law as described in subdivision 2, but ~~the state agency proposes to use the federal money to hire state employees in addition to the number included in the governor's budget request or authorized by law, or~~ the amount of federal money received will require a state match greater than that included in the governor's budget request or authorized by law, ~~the additional personnel shall not be hired and~~ the federal money that will require an additional state match shall not be allotted for expenditure until the state agency has first presented to the legislative advisory commission a request in the manner of a budget request and has received the recommendation of the commission on it. Failure or refusal of the commission to make a recommendation promptly is deemed a negative recommendation.

Sec. 251. Minnesota Statutes 1980, Section 3.304, is amended by adding a subdivision to read:

Subd. 2a. [JOINT LEGISLATIVE STUDIES.] *The legislative coordinating commission shall oversee and coordinate all joint legislative studies mandated*

by the legislature and may require regular progress reports to the legislative coordinating commission and to appropriate standing committees of the house of representatives and the senate. Appropriations for all joint legislative studies except those specifically assigned to an existing legislative commission shall be made to the legislative coordinating commission. Responsibility and appropriations for a joint legislative study may be delegated by the legislative coordinating commission to an existing staff office of the house of representatives or senate, a legislative commission, a joint legislative committee or office or a state agency. The office, commission, joint committee, or agency responsible for the study may contract with another agent for assistance.

Sec. 252. Minnesota Statutes 1980, 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) up to 25 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.

Sec. 253. Minnesota Statutes 1980, Section 9.061, Subdivision 5, is amended to read:

Subd. 5. Where an emergency exists the executive council may expend such sums of money as are necessary therefor, but not to exceed \$2,000,000 in any one fiscal year, and such sums of money are hereby appropriated annually from the general fund in the state treasury for such purpose. For the purpose of supplying any deficiency that may arise in the general fund by reason of the appropriation made by this subdivision, the treasurer may temporarily borrow from other public funds a sum not exceeding \$2,000,000 in addition to any other temporary borrowing otherwise authorized by law in any year, provided, that no funds shall be so impaired thereby that all proper demands thereon cannot be met within the limit of appropriations made to the council for this purpose.

Sec. 254. Minnesota Statutes 1980, Section 11A.20, Subdivision 3, is amended to read:

Subd. 3. [CREDITING OF INVESTMENT INCOME.] Notwithstanding provisions of section 11A.12, all investment income and all investment losses attributable to the investment of state treasury funds, *other than the game and fish fund*, not currently needed shall be credited to the general fund.

Sec. 255. Minnesota Statutes 1980, Section 16A.123, is amended to read:

16A.123 [APPROVED COMPLEMENT.]

The approved complement set for an agency by law limits the number of personnel positions in 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 as defined by the commissioner of employee relations, summer student help, service workers, preservice trainees employed pursuant to affirmative action programs approved by the commissioner of employee relations, 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 positions in the agency regardless of the fund or appropriation from which they are paid. If more than one approved complement figure for an agency is shown in a law, the figures may be taken as cumulative, or a larger figure may be taken as a total or subtotal of related smaller figures, as the context indicates. Approved complement figures for an agency shown in separate laws enacted at the same biennial session of the legislature are cumulative.

Additional full-time positions over the number of the approved complement may be created on the basis of public necessity or emergency. ~~If the position is to be paid from an appropriation of money other than federal money,~~ 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 position is to be paid from an appropriation of federal money, 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. 256. Minnesota Statutes 1980, Section 17.59, Subdivision 5, as amended by Laws 1981, Chapter 41, Section 3, is amended to read:

Subd. 5. [COMMODITIES RESEARCH AND PROMOTION ACCOUNT.] All fees collected by the department under sections 17.51 to 17.69; 21A.01 to 21A.19; 29.14 to 29.19; 30.461 to 30.477; 32B.01 to 32B.13; and any other fees and income received by the department in the administration of these statutes shall be deposited in a separate account known as the commodity research and promotion account *in the special revenue fund*. *These funds shall be appropriated to the department for the purpose of defraying the expenses of administering and enforcing the sections listed in this subdivision.*

Sec. 257. Minnesota Statutes 1980, Section 17A.04, Subdivision 5, is amended to read:

Subd. 5. [LICENSE FEE.] The applicant shall submit to the commissioner

the following applicable fee or fees: (1) ~~\$100~~ \$120 for each livestock market agency and public stockyard license; (2) ~~\$35~~ \$42 for each livestock dealer license; and (3) ~~\$20~~ \$24 for each agent license.

Sec. 258. Minnesota Statutes 1980, Section 17B.15, is amended to read:

17B.15 [FEES FOR INSPECTION AND WEIGHING; DEDICATED ACCOUNT.]

Subdivision 1. The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. *The commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to 17B.23, including repayment by the department of any amount appropriated from the general fund to establish the grain inspection and weighing account. The fees may be adjusted and set so as to establish a six month or less reserve. Payment shall be required for services rendered.* If the grain is in transit, ~~such~~ the fees shall be paid by the carrier and treated as advance charges, and, if received for storage, ~~such~~ the fees shall be paid by the warehouseman, and added to the storage charges.

All ~~moneys so fees~~ collected and all fines and penalties for violation of any provision of this chapter shall be ~~paid into the state treasury~~ deposited in the grain inspection and weighing account, which is created in the state treasury for carrying out the purpose of sections 17B.01 to 17B.23. The money in the account is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.23.

Subd. 2. The commissioner is directed to review the fee schedule each April and October. ~~If income for the two-year period ending December and June prior to each review period is not equal to 100 percent, or is greater than 110 percent, of expenditures for salaries, overtime and expenses which shall include without limitation, an amount for state retirement and social security contributions, the commissioner shall adjust fees accordingly. Such Fee adjustments shall be effective the first of January and July following the review. The department shall have a two-year initial period to reach 100 percent of expenditures.~~

Subd. 3. [MINIMUM CHARGE.] The schedule of fees shall provide that any elevator, mill, or other business requesting a weighing or inspection service, shall pay a minimum charge per hour for each employee requested or assigned. Any fees earned by the employee shall be credited against the charge made therefor. The minimum charge shall be assessed only after taking into consideration all fees earned and all hours charged. When deemed necessary by the commissioner, a charge for actual overtime costs may be made.

Sec. 259. Minnesota Statutes 1980, Section 18.51, Subdivision 2, is amended to read:

Subd. 2. [FEES; PENALTY.] Each nurseryman shall be required to pay an annual fee before the commissioner shall issue a certificate of inspection. This fee shall be based on the area of all of his nurseries as follows:

Nurseries:

(1) 1/2 acre or less

\$15 \$25 per nurseryman

(2) Over 1/2 acre to and

including 2 acres	\$25 \$35 per nurseryman
(3) Over 2 acres to and including 5 10 acres	\$50 \$60 per nurseryman
(4) Over 5 10 acres to and including 10 50 acres	\$70 \$160 per nurseryman
(5) Over 10 acres to and including 25 acres	\$100 per nurseryman
(6) Over 25 acres to and including 50 acres	\$150 per nurseryman
(7) (5) Over 50 acres	\$300 \$400 per nurseryman

In addition to the above fees, a *minimum* penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 260. Minnesota Statutes 1980, Section 18.52, Subdivision 5, is amended to read:

Subd. 5. [FEES; PENALTY.] Each dealer is required to pay an annual fee. The fee charged shall be based on the gross sales of the dealer during the preceding certificate year. In the case of a dealer operating for the first year, the minimum fee will suffice.

Dealers:

(1) Gross sales up to \$5,000 \$1,000	at a location \$25 \$20 per location
(2) Gross sales over \$5,000 \$1,000 and up to \$10,000 \$5,000	at a location \$35 \$30 per location
(3) Gross sales over \$10,000 \$5,000 up to \$15,000 \$10,000	at a location \$50 \$45 per location
(4) Gross sales over \$15,000 \$10,000 up to \$25,000	at a location \$60 \$70 per location
(5) Gross sales over \$25,000 up to \$50,000 \$75,000	at a location \$75 \$115 per location
(6) Gross sales over \$50,000 up to \$75,000	at a location \$100 per location
(7) (6) Gross sales over \$75,000 up to \$100,000	at a location \$150 \$175 per location
(8) (7) Gross sales over \$100,000	at a location \$200 \$250 per location

In addition to the above fees, a *minimum* penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 261. Minnesota Statutes 1980, Section 18.54, Subdivision 1, is amended to read:

Subdivision 1. The commissioner or his employee may make small lot

inspections or perform other necessary services for which another charge is not specified. For ~~such a service, he~~ *these services the commissioner shall charge a fee of \$10; in addition, he may a charge may be made for the necessary expenses incurred by the inspector performing this service. The commissioner may set an additional acreage fee for inspection of seed production fields for exporters in order to meet domestic and foreign plant quarantine requirements.*

Sec. 262. Minnesota Statutes 1980, Section 19.19, Subdivision 1, is amended to read:

Subdivision 1. No person shall own, possess, or operate bees without registering ~~his~~ *the* bees with the commissioner. Application for ~~such~~ registration must be filed within 30 days of obtaining possession of bees and equipment. The registration application shall describe the location of each of the applicant's apiaries and the number of colonies in each apiary or location. The commissioner shall issue a registration certificate to a person who makes written application on forms prepared by the commissioner and who pays a registration fee of ~~\$5~~ *\$7.50*. Each registration certificate expires on the last day of June next following its issuance. Each registration certificate must be renewed within 30 days of expiration of previous registration. A registration certificate may be renewed upon written application and payment of the registration fee described in this subdivision.

Sec. 263. Minnesota Statutes 1980, Section 19.19, Subdivision 2, is amended to read:

Subd. 2. In addition to the annual registration fee, a person owning or possessing 11 or more bee colonies shall pay an annual inspection fee of ~~15~~ *17* cents for each colony of bees owned, possessed, or operated. A person owning or possessing one to ten colonies is not required to pay an inspection fee. This fee shall be based upon the colony count taken as of June 15 of each year, and shall be payable on or before the last day of June of each year. A penalty of 50 percent of both the inspection fee and the registration fee imposed by subdivision 1 shall be imposed if a registration renewal certificate has not been applied for prior to August 1 of any year or within 30 days after a new apiary is established.

Sec. 264. Minnesota Statutes 1980, Section 19.20, Subdivision 4, is amended to read:

Subd. 4. [INSPECTION FEE FOR CERTIFICATION OF FALL INTERSTATE SHIPMENTS OF BEE COLONIES.] An interstate inspection fee of ~~twenty five~~ *40* cents for each colony inspected shall be paid by the owner, possessor or operator requesting inspection service.

Sec. 265. Minnesota Statutes 1980, Section 27.041, Subdivision 2, is amended to read:

Subd. 2. [LICENSES.] The license, or certified copy thereof, shall be kept posted in the office of the licensee at each place within the state where he transacts business. Every license shall expire June 30 following its issuance and thereafter be renewed July 1 each year. Any license issued under this subdivision shall automatically be void upon the termination of the surety bond covering the licensed operation. The fee for each license shall be based on the following schedule:

License Fee	Penalty for Late Renewal	Dollar Volume of Business
\$ 25 30	\$ 8 9.60	\$10,000 or less per month
\$ 50 60	\$15 18	Over \$10,000 to \$50,000 per month
\$ 75 90	\$22 26.40	Over \$50,000 to \$100,000 per month
\$100 120	\$30 36	Over \$100,000 per month

A fee of \$5 shall be charged for each certified copy of a license. The commissioner shall make appropriate license fee adjustments for up to one year from July 1, 1975 for persons required to be licensed hereunder, who hold validly issued licenses as of the effective date of Laws 1975, Chapter 227 under the provisions of law amended or repealed herein. When the licensee sells, disposes of, or discontinues his business during the lifetime of his license he shall at the time the action is taken, notify the commissioner in writing, and upon demand produce before the commissioner a full statement of all assets and liabilities as of the date of transfer or discontinuance of the business.

All moneys collected from license fees shall be deposited in the state treasury.

Sec. 266. Minnesota Statutes 1980, Section 28A.08, is amended to read:

28A.08 [LICENSE FEES; PENALTIES.]

The fees for licenses and the penalties for late renewal thereof prescribed herein shall apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter.

	Type of food handler	License Fee	Penalty
1.	Retail food handler		
	(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year	\$15 18	\$5 6
	(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$30 36	\$10 12
	(c) Having over \$1,000,000 gross sales for the immediately previous license or fiscal year	\$50 60	\$15 18
2.	Wholesale food handler	\$30 36	\$10 12
3.	Food broker	\$15 18	\$5 6
4.	(a) Wholesale food processor or manufacturer	\$100 120	\$30 36
	(b) Wholesale food processor of meat or poultry products under supervision of the U.S. Department of Agriculture	\$50 60	\$15 18
	(c) Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota farmstead cheese	\$25 30	\$10 12

Sec. 267. Minnesota Statutes 1980, Section 32.075, is amended to read:

32.075 [TERM OF LICENSE; TRANSFERABILITY; FEES AND PENALTIES.]

Every license issued by the commissioner shall be for a period ending on the thirty-first day of December next following, and shall not be transferable. The fee for each such initial license shall be ~~\$15~~ \$18 and each renewal thereof shall be \$6 \$7.20 and shall be paid to the commissioner before any license or renewal thereof is issued. If a license renewal is not applied for on or before January 1 of each year, a penalty of 25 percent of the license fee shall be imposed. A person who does not renew his license within one year following its December 31 expiration date, except those persons who do not renew such license while engaged in active military service, shall be required to prove his competency and qualification pursuant to section 32.073, before a license is issued. The commissioner may require any other person who renews his license to prove his competency and qualification in the same manner. All license fees and penalties received by the commissioner shall be paid into the state treasury.

Sec. 268. Minnesota Statutes 1980, Section 32.59, is amended to read:

32.59 [NONRESIDENT MANUFACTURER LICENSE.]

Any person who manufactures frozen foods, mix, ice cream mix, mix base, or ice cream mix base outside of the state, for sale within the state, shall apply for registration with the department of agriculture in such form, and furnish such information, as it may require. Samples of all frozen foods, mix, ice cream mix, mix base, or ice cream mix base, so manufactured for sale and sold within this state, shall be submitted to the department. Each application for registration shall be accompanied by a fee of ~~\$100~~ \$120, which shall constitute the registration fee in case certificate of registration is granted. If the department of agriculture shall find that the samples so submitted are up to the accepted standards, and otherwise comply with the laws of this state, it shall issue to applicant a certificate of registration.

Sec. 269. Minnesota Statutes 1980, Section 40.071, is amended to read:

40.071 [ADDITIONAL POWERS OF A DISTRICT.]

In addition to powers and duties otherwise provided by law, a soil and water conservation district may procure *liability* insurance as provided in section ~~466.13, subdivision 3~~ 466.06, *automobile insurance on personal cars while used on official business, insurance on the contents of district offices up to a maximum of \$7,500 per office, and workers' compensation insurance, or may require the county or counties in which the district is located to include the district in the county's or counties' insurance coverage for these purposes.*

Sec. 270. Minnesota Statutes 1980, Section 43.46, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE COVERAGE.] The amount of premium paid by the state for represented employees for state employees' basic hospital benefits, basic medical benefits and basic dental benefits coverage shall be negotiated between the state and exclusive representatives of state employees. Except as provided in this subdivision, the amount paid for each state employee's coverage shall be uniform for all employees in the same bargaining unit. Employees who select a carrier whose premium is in excess of the state payment shall be

required to pay the difference. ~~Employees who select a carrier whose premium is less than the state payment shall be paid the difference as additional compensation.~~

Sec. 271. Minnesota Statutes 1980, Section 43.46, Subdivision 3, is amended to read:

Subd. 3. [DEPENDENT COVERAGE.] The amount of premium paid by the state for state employees' dependents' basic hospital benefits, basic medical benefits and basic dental benefits coverage shall be negotiated between the state and exclusive representatives of state employees. Except as provided in this subdivision, the amount paid for each state employee's dependent coverage shall be uniform for all employees in the same bargaining unit. Employees who select a carrier whose premium is in excess of the state payment shall be required to pay the difference. ~~Employees who select a carrier whose premium is less than the state payment shall be paid the difference as additional compensation.~~

Sec. 272. Minnesota Statutes 1980, Section 60A.15, Subdivision 1, is amended to read:

Subdivision 1. [DOMESTIC AND FOREIGN COMPANIES OTHER THAN TOWN AND FARMERS' MUTUAL AND DOMESTIC MUTUALS OTHER THAN LIFE.] On or before April 15, June 15, ~~September 15~~ and December 15 of each year following December 31, 1971, every domestic and foreign company, except town and farmers' mutual insurance companies and domestic mutual insurance companies other than life, shall pay to the state treasurer through the commissioner of insurance ~~quarterly~~ installments ~~equal to one-third~~ of the insurer's total estimated tax for the current year based on a sum equal to two percent of the gross premiums less return premiums on all direct business received by it in this state, or by its agents for it, in cash or otherwise, during such year, excepting premiums written for marine insurance as specified in subdivision 6. If unpaid by such dates penalties of ten percent shall accrue thereon, and thereafter such sum and penalties shall draw interest at the rate of one percent per month until paid. Failure of a company to make ~~quarterly~~ payments of at least ~~one-fourth~~ ~~one-third~~ of either (a) the total tax paid during the previous calendar year or (b) 80 percent of the actual tax for the current calendar year shall subject the company to the penalty and interest provided in this subdivision.

Sec. 273. Minnesota Statutes 1980, Section 85.05, Subdivision 1, is amended to read:

Subdivision 1. [RULES, FEES.] The commissioner is ~~hereby authorized to~~ ~~may~~ make rules and regulations for the use of state parks and charge appropriate fees for ~~such these~~ uses, as hereinafter specified;

(1) Provide special parking space for automobile or other motor-driven vehicle in any state park or state recreation area;

(2) Provide special parking spurs and camp grounds for automobiles and sites for tent camping and special auto trailer coach parking spaces for the use of the individual charged for ~~such the~~ space according to the daily rates which shall be determined and fixed by the commissioner of ~~natural resources~~ consistent with the type of facility provided for the accommodation of guests in any particular park and with similar facilities offered for tourist camping in the

area;

(3) Improve and maintain golf courses already established in state parks, and charge reasonable fees for the use thereof;

(4) ~~May~~ Charge a fee for entrance to any pageant grounds which may be created in any state park for the purpose of having historical or other pageants conducted by the commissioner of any other authorized agency.

When deemed necessary by the commissioner, for the purpose of better carrying out ~~any such~~ state park pageants, he may stage ~~such the~~ pageants in any municipal park or other lands near or adjoining any state park, and all receipts from ~~such the~~ pageants shall be used in the same manner as though the pageants were carried on in a state park;

(5) Provide water, sewer, and electric service to trailer or tent camp sites and charge a reasonable fee therefor.

Any individual age 65 or over *who is a resident of the state of Minnesota* who furnishes satisfactory proof of age *and residence* shall be exempt from payment of *one-half of the fees set pursuant to clauses 1 to 4 clause 2 on Monday through Thursday of each calendar week. Fees paid pursuant to this section shall be deposited in the state park maintenance and operation account in the state treasury.*

Sec. 274. Minnesota Statutes 1980, Section 85.05, Subdivision 2, is amended to read:

Subd. 2. [PERMITS FOR MOTOR VEHICLES.] (a) Except as provided in clauses (b), (c), (d) and (e), no motor vehicle shall enter or be permitted to enter any state park, ~~state monument~~, state recreation area or state wayside over 50 acres in area unless it has affixed to its windshield in the lower right corner thereof a permit which is provided for hereinafter. The commissioner of ~~natural resources~~ shall procure permits ~~in such form as he shall prescribe~~ for each calendar year which by appropriate language shall grant permission to use any state park, ~~state monument~~, state recreation area or state wayside over 50 acres in area. Permits for each calendar year shall be provided and placed on sale before October 1 next preceding, and may be affixed and used on or at any time after ~~said that~~ date until the end of the calendar year for which issued. ~~Such~~ Permits in each category shall be numbered consecutively for each year of issue. A fee of ~~\$5 \$10~~ shall be charged for each permit issued *for a vehicle licensed in Minnesota and \$15 for a vehicle licensed outside of Minnesota, except that permits of appropriate special design may be sold individually at \$1.50 \$3 for a vehicle licensed in Minnesota and \$4 for a vehicle licensed outside of Minnesota* covering the use of state parks, ~~state monuments~~, state recreation areas or state waysides under such conditions as the commissioner may prescribe for a designated period of not more than two days. The fee collected shall be deposited in the state park ~~development~~ *maintenance and operation* account in the state treasury. *Appropriations from this account shall be for state park maintenance and operation.* ~~Such~~ Permits shall be issued by ~~such~~ employees of the division of parks and recreation as the commissioner of natural resources may designate in writing and as hereinbefore provided.

(b) The commissioner shall issue without charge an employee's motor vehicle permit to any state employee who, for the purpose of performing official duties, must enter places where park stickers are required. The employee shall

display ~~his employee's~~ the permit on ~~his~~ the motor vehicle in the same manner as state park stickers are displayed. A motor vehicle displaying only an employee's permit may not enter a place where park stickers are required if the vehicle is used for purposes other than ~~those authorized by this clause~~ performing official duties.

(c) The commissioner shall issue ~~without charge for one-half of the fees provided in clause (a)~~ a motor vehicle permit to any individual of the age of 65 years or over who furnishes satisfactory proof of age *and who is a resident of the state of Minnesota.* ~~Such~~ The permit or the decal evidencing its issuance shall be valid only when displayed upon the vehicle owned and occupied by the person to whom issued.

(d) No state park permit is necessary for entry of a motor vehicle into a state park, state monument, state recreation area, or state wayside, on one day each calendar year which the commissioner may designate as state park open house day for the purpose of acquainting the public with state parks, ~~monuments,~~ recreation areas, and waysides. The commissioner shall announce the date of state park open house day at least 30 days in advance of the open house.

(e) No state park permit is necessary, nor shall any fee, including a parking fee, be charged, for entry of a motor vehicle into that part of Fort Snelling state park commonly known as Fort Snelling Memorial Chapel island.

Sec. 275. [85.051] [STATE PARK DEVELOPMENT ACCOUNT.]

The state park development account in the state treasury is hereby continued, and consists of money credited to it from other sources including distributions pursuant to section 296.421.

Sec. 276. Minnesota Statutes 1980, Section 85.22, Subdivision 2a, is amended to read:

Subd. 2a. [RECEIPTS, APPROPRIATION.] All receipts derived from the ~~operations of sale of items in~~ state parks shall be deposited in the state treasury and be credited to the state parks working capital fund, which fund is annually appropriated solely for the purchase of merchandise for resale. Annually, as of the close of business on June 30, the unencumbered balance in excess of ~~\$50,000~~ \$100,000 shall be cancelled into the general fund.

Sec. 277. Minnesota Statutes 1980, Section 85A.04, Subdivision 1, is amended to read:

Subdivision 1. All receipts from the operation of the Minnesota zoological garden shall be deposited to the credit of the general fund, *except as provided in subdivision 3.*

Sec. 278. Minnesota Statutes 1980, Section 85A.04, is amended by adding a subdivision to read:

Subd. 3. [ZOO GIFT STORE ACCOUNT.] *A working capital account is established for the gift store of the Minnesota zoological garden. All receipts from the gift store operation shall be deposited in the state treasury and credited to the account and are appropriated for the purposes of the gift store. Gift store expenses, including inventory, personnel costs, space rental, and overhead, shall be paid from the account. The unencumbered balance in the account on June 30 of each year in excess of the value of the inventory of the gift*

store on June 30, 1981 shall be transferred to the general fund. If improvements or expansions are planned for the gift store operation to be paid with gift store receipts, the plan must be first approved by the governor after receiving the recommendation of the legislative advisory commission.

Sec. 279. Minnesota Statutes 1980, Section 89.43, is amended to read:

89.43 [TREE SEEDS AND CONES, PAYMENTS FROM APPROPRIATIONS.]

Notwithstanding any provision of law to the contrary, out of any moneys money appropriated to the commissioner of natural resources for the purchase of tree seeds and seed cones the commissioner of finance and the state treasurer shall pay to the commissioner upon his request not to exceed the sum of \$10,000 in cash at any one time and not to exceed the sum of \$25,000 in any one fiscal year for the purpose of purchasing tree seeds and seed cones, and the payment therefor the amounts deemed necessary by the commissioner to maintain an inventory of tree seeds and seed cones to assure an adequate supply for the nursery and forestry development needs of the department and to pay for the seeds and seed cones in cash at the time of delivery. At no time shall the moneys in the hands of the commissioner for this purpose exceed the sum of \$10,000.

All moneys paid to The commissioner shall deposit any money received pursuant to this section shall be deposited by him in a state depository subject to withdrawal for disbursement by check for the purposes described by the commissioner or his authorized agent.

The commissioner of finance shall prescribe such rules as he deems necessary for the accounting by which the commissioner of natural resources of shall account for the expenditures made pursuant to this section and may require an additional bond to cover all moneys delivered money paid to the commissioner of natural resources for disbursement by him or his authorized agent pursuant to this section. Any bond premiums shall be paid by the commissioner from any moneys money available for such purposes that purpose.

Unless the legislature specifically otherwise directs in any act appropriating money to the commissioner of natural resources for the division of lands and forestry for the purchase of tree seeds and seed cones, moneys money paid to the commissioner and unexpended pursuant to the terms of this section shall not cancel on June 30 of any fiscal year and shall be available for expenditure in the ensuing fiscal year.

Sec. 280. Minnesota Statutes 1980, Section 97.40, Subdivision 21, is amended to read:

Subd. 21. "Resident" means any citizen of the United States or resident alien who has maintained a legal residence in the state of Minnesota for a period of 60 days immediately preceding the date of application for license, a domestic corporation, or a foreign corporation authorized to do business in the state which has conducted the business licensed at an established place within the state for a period of at least ten years.

Sec. 281. Minnesota Statutes 1980, Section 97.482, Subdivision 1, is amended to read:

Subdivision 1. [IMPOSITION.] To provide funds for the purpose of carry-

ing out the provisions of sections 97.481 to 97.484, there is hereby imposed upon all small game hunting licenses a surcharge of \$2 \$4, which shall be added to such license fee, and which surcharge shall be free from any commissions and so stated on the back of the small game hunting licenses, together with the following statement: "This \$2 \$4 surcharge is being paid by sportsmen for the acquisition and development of wildlife lands."

Sec. 282. [EFFECTIVENESS OF SECTIONS.]

Notwithstanding any other law, Minnesota Statutes, Sections 97.481 to 97.484 shall continue to be effective until repealed.

Sec. 283. Minnesota Statutes 1980, Section 98.45, Subdivision 6, is amended to read:

Subd. 6. ~~An alien spouse or A nonresident child under the age of 21 of a resident of this state may take, buy, sell, transport, or possess wild animals as a resident. Any other alien who has made a declaration of intention to become a citizen of the United States in accordance with the statutes of the United States relating to the naturalization of aliens, and who is qualified as a resident of the state except for citizenship, may take, buy, sell, transport, or possess wild animals as a resident.~~

Sec. 284. Minnesota Statutes 1980, 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~~ \$7;
- (2) To take deer ~~or bear, or both,~~ with firearms during the period in which the licensee may take deer, ~~\$10~~ \$14;
- (3) To take deer ~~or bear, or both,~~ with bow and arrow during the period in which the licensee may take deer, ~~\$10~~ \$14;
- (4) To take fish by angling, ~~\$5~~ \$6.50;
- (5) Combination husband and wife, to take fish by angling, ~~\$8~~ \$10.50;
- (6) To take moose, ~~\$100~~ \$140 for an individual or for a party of not to exceed four persons;
- (7) To take bear only, ~~\$7.50~~ \$14;
- (8) To take turkeys, \$10, in addition to a small game license;
- (9) To take raccoon, bobcat, coyote or fox with the aid of dogs, \$7.50, in addition to a small game license.

Sec. 285. Minnesota Statutes 1980, Section 98.46, Subdivision 2a, is amended to read:

Subd. 2a. The commissioner of natural resources shall issue Minnesota sportsman licenses by March 1, 1978. The licenses shall be issued to residents only. The fee for licenses shall be ~~\$9~~ \$12 if the angling license is for one person and ~~\$12~~ \$16 if the angling license is a combination husband and wife license. These fees do not include the surcharge authorized pursuant to section 97.482 nor the state waterfowl stamp required by section 97.4841.

The license shall authorize the licensee to:

- (1) Take small game;
- (2) Take fish by angling.

~~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. 286. Minnesota Statutes 1980, Section 98.46, is amended by adding a subdivision to read:

Subd. 2b. The commissioner of natural resources, in commemoration of the fiftieth year of the department, shall issue Minnesota golden licenses by March 1, 1982. The license shall be issued to residents only. The fee for the license shall be \$100 and shall authorize the licensee to:

- (1) Take small game;
- (2) Take fish by angling;
- (3) Spear fish from a dark house;
- (4) Trap fur bearing animals, except beaver;
- (5) Take deer with firearms;
- (6) Take deer with bow and arrows; and
- (7) Take bear.

The fee includes the surcharge authorized pursuant to section 97.482, the state waterfowl stamp required by section 97.4841 and the state trout stamp required by section 306.

The license shall be issued in distinctive format on durable, gold colored material.

Sec. 287. Minnesota Statutes 1980, Section 98.46, Subdivision 3, is amended to read:

Subd. 3. Fees for the following licenses, to be issued to residents only, shall be:

- (1) To harvest wild rice, ~~\$4~~ \$10;
- (2) To buy and sell wild ginseng, \$5.

Sec. 288. Minnesota Statutes 1980, Section 98.46, Subdivision 4, is amended to read:

Subd. 4. Fees for the following licenses, to be issued to residents only, shall be:

(1) To trap fur bearing animals, except beaver, for residents over the age of 13 and under the age of 18, \$3.50;

~~(1)~~ *(2) To trap fur bearing animals, except beaver, for residents 18 years of age and older, \$5 \$13;*

~~(2)~~ *(3) To buy or sell raw furs anywhere within the state including the privilege of selling to resident manufacturers or to unlicensed non-residents,*

representing unlicensed non-residents as a broker or agent, or conducting a fur auction wherein sales are made to unlicensed non-residents or resident manufacturers, ~~\$50 \$100~~, provided that any employee, partner or officer buying or selling at the established place of business only for ~~such~~ the licensee may secure a supplemental license for ~~\$20 \$50~~;

~~(3)~~ (4) To trap beaver during an open season or by permit when doing damage, ~~\$2.50~~;

~~(4)~~ (5) To guide bear hunters, ~~\$50 \$75~~.

Sec. 289. Minnesota Statutes 1980, Section 98.46, Subdivision 5, is amended to read:

Subd. 5. Fees for the following licenses, to be issued to residents only, shall be:

(1) To spear fish from a dark house, ~~\$5~~ ~~\$7.50~~;

(2) For any fish house or dark house used during the winter fishing season, \$3 for each fish house or dark house not rented or offered for hire, and ~~\$10~~ ~~\$13~~ for each fish house or dark house rented or offered for hire. Each ~~such~~ fish house or dark house shall have attached to the outside a metal tag at least two inches in diameter with a 3/16 inch hole in the center, which will be issued with a license. Each metal tag shall be stamped with a number to correspond with the fish house or dark house license and also shall be stamped with the year of issuance. The metal tag shall be attached to the fish house or dark house as designated by commissioner's order;

(3) To net whitefish, tullibees or herring from inland lakes or international waters, for domestic use only, for each net, \$3;

(4) To conduct a taxidermist business, ~~\$10 for three consecutive years for residents 18 years of age and older, \$40; for residents under the age of 18, \$25~~;

(5) To maintain fur and game farms, including deer, ~~\$10~~ ~~\$15~~;

~~(6) To take mussels or clams, \$25~~;

~~(7)~~ (6) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, ~~\$25~~ ~~\$50~~;

~~(8)~~ (7) To prepare dressed game fish shipments for nonresidents as provided by section 97.45, subdivision 6, as amended, ~~\$10~~ ~~\$13~~;

~~(9)~~ (8) Minnow dealer, ~~\$50~~ ~~\$70~~ plus \$10 for each vehicle;

~~(10)~~ (9) Minnow dealer's helper, \$5 for each helper. Minnow dealer's helpers' licenses shall be issued to the minnow dealer and are transferable by the dealer at will to his own helpers;

~~(11)~~ (10) Exporting minnow dealer, ~~\$200~~ ~~\$250~~, plus \$10 for each vehicle.

Each vehicle license shall cover a specified vehicle. The serial number, license number, make, and model shall be specified on the license which must be conspicuously posted in the vehicle licensed.

Sec. 290. Minnesota Statutes 1980, Section 98.46, Subdivision 5a, is amended to read:

Subd. 5a. Fees for the following licenses, to be issued to nonresidents, shall

be:

(1) For an exporting minnow hauler, ~~\$400~~ \$525, plus \$10 for one vehicle license only.

(2) Each vehicle license shall cover a specified vehicle. The serial number, license number, make and model shall be conspicuously posted in the vehicle licensed.

Sec. 291. Minnesota Statutes 1980, Section 98.46, Subdivision 6, is amended to read:

Subd. 6. Fees for the following licenses to net for commercial purposes in the boundary waters between Wisconsin and Minnesota from Taylors Falls to the junction of the Mississippi River and Lake St. Croix and from Lake St. Croix to the Iowa border, which, except in the case of helpers licenses, shall be issued to residents only, shall be:

- (1) For a seine not exceeding 500 feet, ~~\$20~~ \$25;
- (2) For a seine in excess of 500 feet, but not over 1,000 feet, ~~\$30~~ \$40;
- (3) For each 100 feet of seine in excess of 1,000 feet, ~~\$2~~ \$2.50;
- (4) For helper's license, \$5.

Sec. 292. Minnesota Statutes 1980, Section 98.46, Subdivision 7, is amended to read:

Subd. 7. Fees for the following licenses to net for commercial purposes in the boundary waters between Wisconsin and Minnesota from Lake St. Croix to the Iowa border, which, except in the case of helpers licenses, shall be issued to residents only, shall be:

- (1) For each gill net not exceeding 500 feet in length, ~~\$10~~ \$13;
- (2) For each gill net exceeding 500 feet, but not over 1,000 feet, ~~\$20~~ \$25;
- (3) For each fyke net or hoop net, \$10;
- (4) For each bait or turtle net, ~~\$1~~ \$1.50;
- (5) For each set line, ~~\$10~~ \$13 for each identification tag to be attached to each set line;
- (6) For helper's license, \$5.

Sec. 293. Minnesota Statutes 1980, Section 98.46, Subdivision 8, is amended to read:

Subd. 8. Fees for the following licenses to take rough fish with ~~set lines, or seines,~~ in the Mississippi River from the St. Croix River junction to St. Anthony Falls, to be issued to residents only, shall be:

- (1) For a seine not exceeding 500 feet, ~~\$20~~ \$25; for a seine in excess of 500 feet, but not over 1,000 feet, ~~\$30~~ \$40; for each 100 feet of seine or fraction thereof in excess of 1,000 feet, \$2;
- ~~(2) For each set line, \$10;~~
- ~~(3)~~ (2) For helper's license, \$5.

Sec. 294. Minnesota Statutes 1980, Section 98.46, Subdivision 9, is

amended to read:

Subd. 9. A license to take rough fish with one set line, containing not more than ten hooks, in the Minnesota River from Mankato to its junction with the Mississippi River, and in the Mississippi River from St. Anthony Falls to the St. Croix junction, for domestic use, shall be issued to residents only, upon payment of the fee of ~~\$10~~ \$13.

Sec. 295. Minnesota Statutes 1980, Section 98.46, Subdivision 9a, is amended to read:

Subd. 9a. Licenses to net commercial fish in inland waters shall be issued annually and shall be valid for commercial fishing during the period from the day after Labor Day to the day preceding the opening of the season for the taking of walleye. License fees shall be ~~\$50~~ \$70, plus:

(a) ~~Fifty~~ 75 cents for each hoop net pocket;

(b) ~~\$10~~ \$15 for each 1,000 feet of seine. Provided that in the license application to the commissioner, each applicant shall list the number of feet of seine of each depth for which he wishes to be licensed; and

(c) \$5 for each helper's license.

Sec. 296. Minnesota Statutes 1980, Section 98.46, Subdivision 10, is amended to read:

Subd. 10. Fees for the following licenses to net fish in Lake of the Woods, to be issued to residents only, shall be:

(1) For each pound net or staked trap net, ~~\$35~~ \$45;

(2) For each fyke net with wings or lead not exceeding four feet in height, ~~\$5~~ \$10;

(3) For each fyke net with either wings or lead over four feet in height, an additional \$5 for each additional two feet or fraction thereof;

(4) For each 100 feet of gill net, ~~\$1.50~~ \$2.50;

(5) For each submerged trap net, \$15;

(6) For helper's license, ~~\$5~~ \$15;

(7) For each trawl, \$500.

Sec. 297. Minnesota Statutes 1980, Section 98.46, Subdivision 11, is amended to read:

Subd. 11. Fees for the following licenses to net fish in Rainy Lake, to be issued to residents only, shall be:

(1) For each pound net, ~~\$35~~ \$45;

(2) For each 100 feet of gill net, ~~\$1.50~~ \$2.50;

(3) For helper's license, ~~\$5~~ \$15.

Sec. 298. Minnesota Statutes 1980, Section 98.46, Subdivision 12, is amended to read:

Subd. 12. (a) Fees for the following licenses to fish commercially in Lake Superior, to be issued to residents only, shall be:

(1) For not to exceed 1,000 feet (305 m) of gill net of mesh size not less than 2.25 inch (5.75 cm) nor more than 2.75 inch (7 cm) extension measure, \$50 \$70 plus \$1 \$2 for each additional 1,000 feet (305 m);

(2) For not to exceed 1,000 feet (305 m) of gill net of mesh size not less than 4.5 inch (11.5 cm) mesh extension measure, \$50 \$70 plus \$1 \$2 for each additional 1,000 feet (305 m);

(3) For a pound or trap net, \$50 \$70 plus \$1 \$2 for each additional pound or trap net;

(4) For a helper's license, \$5.

(b) A license to fish commercially in Lake Superior shall be issued only to a resident who, except as herein provided:

(1) Possesses 5,000 feet of gill net of mesh sizes permitted in section 102.28 or two pound nets;

(2) Landed fish in the previous year with a value of at least \$1,500, except for those state waters from Duluth to Silver Bay upon the discretion of the commissioner; and

(3) Engaged in commercial fishing for at least 50 days of the previous year.

~~An applicant for a license in 1978 must have met the requirements of subdivision 12, clause (b) during two of the previous three years.~~

An applicant shall be issued a license without meeting the requirements of subdivision 12, clause (b) if the applicant is 65 or more years of age and has held a license continuously since 1947. An applicant may be issued a license, at the discretion of the commissioner, if his failure to meet the requirements of subdivision 12, clause (b) resulted from illness or other mitigating circumstances, or ~~he~~ *the applicant* has reached the age of 65 and has been licensed at least ten of the previous 15 years. Persons receiving licenses under the provisions for applicants 65 years of age or more must be in attendance at the setting and lifting of nets. The commissioner may issue multiple licenses to individuals who meet the requirements of subdivision 12, clause (b), and have held multiple licenses prior to 1978.

(c) A license may be issued to an applicant who has not fished commercially on Lake Superior before, if the applicant:

(1) Shows a bill of sale indicating the purchase of gear and facilities connected with an existing license; or

(2) Shows proof of inheritance of all the gear and facilities connected with an existing license; or

(3) Has served at least two years as a helper in a Minnesota Lake Superior licensed commercial fishing operation; and

(4) Has no record of conviction for violating chapters 97 to 102 in the preceding three years.

Sec. 299. Minnesota Statutes 1980, Section 98.46, Subdivision 14, is amended to read:

Subd. 14. Fees for the following licenses, to be issued to nonresidents, shall be:

(1) To take small game and unprotected quadrupeds with firearms and bow and arrows, ~~\$25~~ \$35;

(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~~ \$75;

(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~~ \$35;

(4) To take bear, ~~\$25-25~~ \$100;

(5) To take turkeys, \$30, in addition to a small game license;

(6) To hunt raccoon, \$100, in addition to nonresident small game license.

Sec. 300. Minnesota Statutes 1980, Section 98.46, Subdivision 15, is amended to read:

Subd. 15. Fees for the following licenses, to be issued to nonresidents, shall be:

(1) To take fish by angling, ~~\$10~~ \$15;

(2) A short term individual license to take fish by angling for ~~three~~ seven consecutive days, ~~\$5~~ \$10.50;

(3) A short term individual license to take fish by angling for one day, \$5;

(4) Combination husband and wife, to take fish by angling, ~~\$15~~ \$20;

(4) (5) For any fish house used during the winter fishing season, \$15. A fish house licensed pursuant to this subdivision shall be identified as prescribed in subdivision 5. The house shall be collapsible and portable, and shall at no time be left unattended while on the ice. The provisions of section 101.42 not inconsistent herewith shall also apply to fish houses licensed pursuant to this subdivision.

Sec. 301. Minnesota Statutes 1980, Section 98.46, Subdivision 16, is amended to read:

Subd. 16. Fees for the following licenses, to be issued to non-residents, shall be:

To buy or sell raw furs, ~~\$400~~ \$500, except that a license shall not be required to buy from those licensed under subdivision 4, clause (2).

To guide bear hunters, \$400.

Sec. 302. Minnesota Statutes 1980, Section 98.46, Subdivision 17, is amended to read:

Subd. 17. Fees for the following licenses, to be issued to either residents or nonresidents, shall be:

(1) To deal in live or engage in the business of preserving minnows; minnow retailer, ~~\$5~~ \$10 plus \$10 for each vehicle used to transport minnows.

(2) To raise fish in a private hatchery, for annual sales under \$200, \$25; and for annual sales of \$200 or more, \$50.

(3) To take under state supervision sucker eggs from public waters, for private fish hatchery purposes:

- (a) To take not to exceed 100 quarts, ~~\$100~~ \$150;
- (b) To take in excess of 100 quarts, \$2 \$3 per quart for such excess.

Sec. 303. Minnesota Statutes 1980, Section 98.46, Subdivision 18, is amended to read:

Subd. 18. Fees for the following licenses, to be issued to either residents or nonresidents shall be:

(1) For a wild rice dealer's license to buy wild rice within the state for resale to anyone except consumers, or to sell wild rice imported from outside the state to anyone within the state except consumers, ~~\$50~~ \$70 if the amount of wild rice bought or sold by the licensee within the year covered by the license does not exceed 50,000 pounds, ~~\$200~~ \$250 if ~~such the~~ amount exceeds 50,000 pounds. For the purposes hereof the weight of wild rice in its raw state shall govern. All raw rice purchased by a dealer shall be reported in accordance with clauses (2), (3), (4), and (5) of this subdivision.

(2) Every application for a license under this subdivision shall be made on oath in writing in ~~such the~~ form as the commissioner shall prescribe, stating the amount of wild rice, whether raw or processed, bought or sold by the applicant during the calendar year preceding the year for which the license is sought, the amount which the applicant estimates ~~he will buy be bought or sell sold~~ under the license, and ~~such~~ other pertinent information as the commissioner may require. The license fee shall be paid in advance, based on ~~such the~~ estimate, subject to adjustment as hereinafter provided; provided, that no license shall be issued for any year based on a lesser amount of wild rice than was bought or sold by the applicant during the preceding calendar year.

(3) Every licensee under this subdivision shall keep a correct and complete book record of all wild rice bought or sold ~~by him~~ during the period covered by ~~his the~~ license, showing the date of each transaction, the names and addresses of all other parties thereto, and the amount of wild rice involved, whether raw or processed. Every ~~such~~ record shall be open for inspection by the commissioner, the coordinator of wild rice, or any conservation officer or agent of the commissioner at all reasonable times. Every licensee shall transmit to the commissioner within ten days after the end of each calendar month during the period covered by the license a written report, in ~~such the~~ form as the commissioner shall prescribe, signed by the licensee, stating the total amount of wild rice bought or sold ~~by him~~ during ~~such the~~ calendar month, whether raw or processed.

(4) No dealer licensee under this subdivision shall at any time buy or sell any wild rice for which a license is required hereunder in excess of the amount covered by ~~his the~~ license. In case a licensee shall desire to buy or sell any wild rice in excess of ~~such the~~ amount, ~~he the licensee~~ shall before doing so make application for a supplemental license covering the increased amount of wild rice involved, and ~~such the~~ license shall be issued to ~~him~~ upon payment of the prescribed fee therefor, less credit for the fees paid for the previous license or licenses issued to ~~him hereunder~~ for the same calendar year. Upon the issuance of ~~such the~~ supplemental license, ~~such the~~ previous license or licenses shall be surrendered to the commissioner.

(5) The wilful making of a false statement in any application for a license under this subdivision or in any report required hereunder, or the wilful making

of a false entry in any record required hereunder, or any other violation of or failure to comply with any provision of this subdivision shall be a misdemeanor, punishable as provided by section 97.55, subdivision 1. Upon a second conviction within a period of three years of any person of any offense under this subdivision, any license hereunder then held by ~~him~~ *that person* shall immediately become null and void, and no such license shall be issued to ~~him~~ *that person* for one year after the date of ~~such~~ *the* conviction.

Sec. 304. Minnesota Statutes 1980, Section 98.46, Subdivision 19, is amended to read:

Subd. 19. Fees for the following licenses, to be issued to either residents or nonresidents, shall be:

(1) To buy fish from licensed commercial fishermen on Lake Superior:

(a) For the purpose of selling to retailers, ~~\$25~~ *\$50*;

(b) For the purpose of retail selling only, ~~\$5~~ *\$10*.

(2) To buy fish from licensed commercial fishermen on Lake of the Woods, Namakan, Sand Point, or Rainy Lake:

(a) Wholesale fish buyer's license, \$100;

(b) Fish buyer's license to ship from one place to another on international waters only, \$10.

(3) To tan or dress raw furs, ~~\$10~~ *\$15*;

(4) Fish peddler's license, to peddle with the use of a motor vehicle, any fish lawfully salable within the state, ~~\$5~~ *\$25*. It shall be unlawful to misrepresent the species of any fish sold by any licensed fish peddler or ~~his~~ *peddler's* employee. Upon conviction of misrepresentation of the species of fish sold by any fish peddler licensed hereunder or ~~his~~ *employee*, ~~his~~ *the* license shall be revoked, and ~~such~~ *the* licensee shall not be eligible to obtain a fish peddler's license for the period of one year after ~~said~~ *revocation*. Misrepresentation shall include the following acts in addition to any other acts constituting misrepresentation in fact: (1) The designation of any fish by any name other than its common name in Minnesota; (2) The designation of any fish by any other name than its common name in the locality where it was taken if it is not generally known by any common name in Minnesota.

Sec. 305. Minnesota Statutes 1980, Section 98.47, Subdivision 1, is amended to read:

Subdivision 1. Residents who have attained the age of 65 years may take fish by angling or spearing without a license. Residents under the age of 16 years may take fish ~~and trap for bearing animals except beaver or otter~~ without procuring a license. Residents under the age of 13 years may take small game without a license. Residents under the age of 16 years and over 12 may take small game provided they have in their possession while hunting a valid firearm safety certificate. Residents under 14 must be accompanied by a parent or guardian while hunting. No hunting license shall be issued to any resident under the age of 16, except that such residents who possess a valid certificate may purchase a big game hunting license. Nonresidents under the age of 16 years may take fish by angling without procuring a license, if their parent or legal guardian has obtained a nonresident fishing license. Fish so taken shall be

included in the daily and possession limit of the parent or legal guardian. Any nonresident under the age of 16 years who is attending a camp adjacent to any public waters of the state conducted by a social, charitable, or welfare organization or institution, not for profit, may take fish by angling in such waters or other adjacent waters without procuring a license, provided the organization or institution conducting the camp shall have a certificate from the commissioner that the camp is qualified hereunder, describing the waters affected as determined by the commissioner, and each such nonresident shall carry with him at all times while taking or attempting to take fish by angling in such waters a certificate identifying him and describing the waters, in such form as the commissioner shall prescribe, signed and dated by the officer or agent of the organization or institution in charge of the camp within the current calendar year.

Sec. 306. [97.4842] [TROUT STAMP.]

Subdivision 1. [STAMP REQUIRED.] No person over the age of 18 and under the age of 65 years who is otherwise required to possess a Minnesota fishing license shall take trout by angling in any trout stream within this state without first purchasing a stamp and having the stamp in his possession while angling for trout in any trout stream. Each stamp shall be validated by the signature of the licensee written across its face. The commissioner shall determine the form of the stamp and shall furnish and distribute stamps to county auditors for sale by them and their authorized subagents as prescribed by order of the commissioner. The commissioner shall encourage the purchase of stamps by any persons who are interested in the improvement of trout streams.

Subd. 2. [FEE.] A stamp shall be issued to each fishing license applicant or other person interested in improvement of trout streams upon the payment of a fee of \$3. Stamps shall be issued annually and shall be valid from March 1 through the last day of the following February.

Subd. 3. [USE OF REVENUE.] The commissioner shall approve projects for the following purposes:

(a) Development, restoration, maintenance or preservation of trout streams; and

(b) Necessary related administrative costs in an amount not to exceed ten percent of the annual deposits into the game and fish fund attributable to the sale of stamps.

Sec. 307. Minnesota Statutes 1980, 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~~ \$1 for the license to take deer and for the sportsman license authorized in section 98.46, subdivision 2a, and ~~50~~ 75 cents for all other licenses. The state migratory waterfowl stamp required by section 97.4841 shall be considered to be a "license" within the meaning of this subdivision except when such stamp and a small game license are issued in the same transaction in which case the stamp shall be considered a part of the small game license and only one issuing fee shall be collected. In selling such

licenses, he shall be deemed an agent of the county auditor and the commissioner, and he shall observe all rules and regulations promulgated by the commissioner for the accounting for and handling of such licenses.

The county auditor shall promptly deposit all moneys received from the sale of licenses with the county treasurer, and shall promptly transmit such reports as may be required by the commissioner, together with his warrant on the county treasurer for 100 percent of the surcharge imposed by section 97.482 plus 96 percent of the price to the licensee, exclusively of said surcharge and the issuing fee, for each license sold or consigned by him and subsequently sold to a licensee during the accounting period. The county auditor shall retain as his commission four percent of all license fees, excluding issuing fees for licenses consigned to subagents. In addition, for licenses sold for cash directly to the licensee, the auditor shall collect the same issuing fee as a subagent. Unsold license blanks in the hands of any agent shall be redeemed by the commissioner if presented for redemption within the time prescribed by the commissioner therefor. Any license blanks not presented for redemption within the period prescribed shall be conclusively presumed to have been sold, and the agent possessing the same or to whom they are charged shall be accountable therefor. The commissioner shall collect the same issuing fee as a subagent for licenses sold directly through a license distribution center operated by the department of natural resources. The issuing fees so collected by the commissioner shall be credited to the game and fish fund.

Sec. 308. Minnesota Statutes 1980, Section 99.28, Subdivision 5, is amended to read:

Subd. 5. The holder of any such license shall pay an annual license fee of ~~\$2.50~~ \$10 for any such farm upon which muskrats are taken on said owner's premises.

Sec. 309. Minnesota Statutes 1980, Section 100.273, Subdivision 7, is amended to read:

Subd. 7. In taking raccoon, *bobcat*, *coyote* or *fox* when treed or at bay on private land with the aid of dogs, a person while on foot may, without permission of the landowner, enter such private land to retrieve any dogs and then shall immediately leave the premises. During the season for taking big or small game, a hunter may on foot retrieve a wounded big or small game animal from agricultural land of another which is not posted pursuant to subdivision 6, without permission of the landowner, and shall then leave as soon as possible.

Sec. 310. Minnesota Statutes 1980, Section 100.35, Subdivision 1, is amended to read:

Subdivision 1. The fee for a shooting preserve license or permit shall be ~~\$50~~ \$75.

Sec. 311. Minnesota Statutes 1980, Section 100.35, Subdivision 5, is amended to read:

Subd. 5. All harvested game except ducks which are marked in accordance with regulations of the United States fish and wildlife service shall be tagged with a selfsealing tag to be issued by the department at a cost of ~~five~~ 15 cents. The tags shall be so numbered or otherwise identified that each preserve using them can be identified and ~~such~~ the tag shall be maintained on each bird shot

until either consumed on the premises or if removed therefrom, until actually prepared for consumption.

Sec. 312. Minnesota Statutes 1980, Section 101.44, is amended to read:

101.44 [FROGS; SEASON, REGULATION, LICENSES.]

Except as otherwise permitted, frogs may not be taken or possessed during the months of April and the first 15 days of May. During the open season, frogs not exceeding six inches in length, measured from tip of nose to tip of hind toes, legs fully extended, may be possessed in any numbers, bought, sold, and transported for angling purposes only. Except as otherwise provided under commissioner's regulations, not to exceed 150 frogs over six inches in length may be possessed in or transported through the state, except by common carrier, and may be possessed in any quantity and sold during the open season. It shall be unlawful to use cloth screens or other similar contrivances in catching frogs. Provided, the taking of frogs may be prohibited in ~~such~~ areas of the state and during ~~such~~ periods as the commissioner may by order prescribe. Provided, further, that no person shall be permitted to take or possess frogs unless legally entitled to take fish within the state. The commissioner shall establish regulations dealing with the purchase, possession and transportation of frogs for purposes other than bait. The fee for this license shall be ~~\$50~~ \$70 for resident; ~~\$150~~ \$200 for nonresidents. The commissioner may issue licenses to residents to take, possess, transport and sell frogs for purposes other than bait. The license fee shall be ~~\$2.50~~ \$10.

Sec. 313. Minnesota Statutes 1980, Section 116C.69, Subdivision 2, is amended to read:

Subd. 2. [SITE APPLICATION FEE.] Every applicant for a site certificate shall pay to the board a fee in an amount equal to \$500 for each \$1,000,000 of production 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 the excess is reasonably necessary. The applicant shall pay within 30 days of notification any additional fees reasonably necessary for completion of the site evaluation and 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 plant investment (\$1,000 for each \$1,000,000). All money received pursuant to this subdivision shall be deposited in ~~the general fund~~ a special account. ~~So much Money as is necessary in the account is annually appropriated from the general fund to the board to pay expenses incurred in processing applications for certificates 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.~~

Sec. 314. Minnesota Statutes 1980, Section 116C.69, Subdivision 2a, is amended to read:

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 a special account. So much Money as is necessary in the account is annually appropriated from the general fund to the board to pay expenses~~ *general fund a special account. So much Money as is necessary in the account is annually appropriated from the general fund to the board 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.~~

Sec. 315. Minnesota Statutes 1980, Section 116C.69, Subdivision 3, is amended to read:

Subd. 3. [FUNDING; ASSESSMENT.] The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site certificates and construction permits, and all other work, other than specific site and route designation, from an assessment made ~~annually quarterly, at least 30 days before the start of each quarter,~~ *annually quarterly, at least 30 days before the start of each quarter,* 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. 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. *The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the board for the preceding fiscal year were more or less than the estimated expenditures previously assessed.*

Sec. 316. Minnesota Statutes 1980, Section 116F.06, Subdivision 2, is amended to read:

Subd. 2. The agency shall review new or revised packages or containers except when such changes involve only color, size, shape or printing. The agency shall review innovations including, but not limited to, changes in constituent materials or combinations thereof and changes in closures. When the agency determines that any new or revised package or container would constitute a solid waste disposal problem or be inconsistent with state environmental policies, the manufacturer of the product may withdraw it from further consideration until such time as the manufacturer may resubmit such product to the agency, or, the agency may, by order made after notice and hearing as provided in chapter 15, and following an additional period not to exceed 30 days during which the environmental quality board may review the proposed action, prohibit the sale of the package or container in the state. Any such

prohibition shall continue in effect until revoked by the agency or until the last legislative day of the next following legislative session, whichever occurs first, unless extended by law. This subdivision shall not apply to any package or container sold at retail in this state prior to ~~final enactment of sections 116F.01 to 116F.08~~ *September 7, 1979.*

Sec. 317. Minnesota Statutes 1980, Section 139.16, is amended to read:

139.16 [PUBLIC TELEVISION GRANTS; PURPOSE.]

The purpose of sections 139.16 to 139.18 is to facilitate the use of public television as a community resource for the public by providing financial assistance to public television stations serving Minnesota citizens, and to provide for cooperation between public television station officials and the ~~board of the arts~~ *department of administration.*

Sec. 318. Minnesota Statutes 1980, Section 139.17, is amended to read:

139.17 [DEFINITIONS.]

Subdivision 1. As used in sections 139.16 to ~~139.18~~ *139.19*, the terms defined in this section have the meanings here given them.

Subd. 2. "Public station" means a ~~licensee of the federal communications commission~~ *station holding a license or operating under a program test authority from the Federal Communications Commission* as a noncommercial educational television broadcast station within this state or a station outside the state which received funds under section 139.18 in 1976.

Sec. 319. Minnesota Statutes 1980, Section 139.17, is amended by adding a subdivision to read:

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of administration.

Sec. 320. Minnesota Statutes 1980, Section 139.18, Subdivision 1, is amended to read:

Subdivision 1. The ~~board of the arts~~ *commissioner* shall distribute the ~~funds money~~ provided by sections 139.16 to 139.18. Twice annually the ~~board of the arts~~ *commissioner* shall make block grants which shall be distributed in equal amounts to public stations for operational costs. The ~~board of the arts~~ *commissioner* shall allocate ~~funds money~~ appropriated for the purposes of sections 139.16 to 139.18 in such a manner that each eligible public station receives a block grant. In addition, the ~~board of the arts~~ *commissioner* shall make matching grants to public stations. Matching grants shall be used for operational costs and shall be allocated using the procedure developed for distribution of state money under this section for grants made in fiscal year 1979. No station's matching grant in any fiscal year shall exceed the amount of Minnesota based contributions received by that station in the previous fiscal year.

Sec. 321. Minnesota Statutes 1980, Section 139.18, Subdivision 3, is amended to read:

Subd. 3. Each educational station receiving a grant shall annually report by July 1 to the ~~board of the arts~~ *commissioner* the purposes for which the ~~funds were~~ *money was* used in the past fiscal year and the anticipated use of the ~~funds money~~ 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 September 1, the ~~board of the arts commissioner~~ may withhold from the educational station 45 percent of the amount to which it was entitled based upon the contribution of the previous fiscal year, and may redistribute ~~these funds that money~~ to other educational stations.

Sec. 322. Minnesota Statutes 1980, Section 139.18, Subdivision 4, is amended to read:

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. In future years, the board may develop program categories and funding programs in television, film and other public media, which shall not be limited, prohibited or otherwise affected by the board's serving the specific administrative functions under the terms of sections 139.16 to 139.18.~~

Sec. 323. Minnesota Statutes 1980, Section 139.19, Subdivision 3, is amended to read:

Subd. 3. [STATION ELIGIBILITY.] To qualify for a grant under this section, a noncommercial radio station shall:

(a) Hold a valid noncommercial educational radio station license or program test authority from the Federal Communications Commission;

(b) Have facilities adequate to provide local program production and origination;

(c) Employ a minimum of two full time professional radio staff persons or the equivalent in part-time staff and agree to employ a minimum of two full time professional radio staff persons or the equivalent in part-time staff throughout the fiscal year of the grant;

(d) Maintain a minimum daily broadcasting schedule of (1) the maximum allowed by its Federal Communications Commission license or (2) 12 hours a day during the first year of eligibility for state assistance, 15 hours a day during the second year of eligibility and 18 hours a day during the third and following years of eligibility;

(e) Broadcast 365 days a year or the maximum number of days allowed by its Federal Communications Commission license;

(f) Have a daily broadcast schedule devoted primarily to programming that serves ascertained community needs of an educational, informational or cultural nature within its primary signal area; however, a program schedule of a main channel carrier designed to further the principles of one or more particular religious philosophies or including 25 percent or more religious programming on a broadcast day does not meet this criterion, nor does a program schedule of a main channel carrier designed primarily for in-school or professional in-service audiences;

(g) Originate significant, locally produced programming designed to serve its community of license;

(h) Have a total annual operating income and budget of at least \$50,000;

(i) Have either a board of directors representing the community or a com-

munity advisory board that conducts advisory board meetings that are open to the public;

(j) Have a board of directors that: (1) holds the portion of any meeting relating to the management or operation of the radio station open to the public and (2) permits any person to attend any meeting of the board without requiring a person, as a condition to attendance at the meeting, to register the person's name or to provide any other information; and

(k) Have met the criteria in clauses (a) to (j) for six months before it is eligible for state assistance under this section.

The ~~board of the arts~~ commissioner shall accept the judgment of Corporation for Public Broadcasting accepted audit when it is available on a station's eligibility for assistance under the criteria of this subdivision. If the applicant station is not qualified for assistance from the Corporation for Public Broadcasting, an independent audit is required.

Sec. 324. Minnesota Statutes 1980, Section 139.19, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION:] To be eligible for a grant under this section, a station shall submit an application to the ~~board of the arts~~ commissioner within the deadline prescribed by the ~~board~~ commissioner. It shall also submit, within the deadline prescribed by the ~~board~~ commissioner, its audited financial records for the fiscal year preceding the year for which the grant will be made.

Sec. 325. Minnesota Statutes 1980, Section 139.19, Subdivision 5, is amended to read:

Subd. 5. [GRANTS.] (a) The ~~board of the arts~~ commissioner shall determine eligibility for grants and the allocation of grant ~~funds~~ money on the basis of audited financial records for the applicant station's fiscal year preceding the year in which the grant is made, as well as on the basis of the other requirements set forth in this section. The ~~board~~ commissioner shall annually distribute grants to all stations that comply with the eligibility requirements and apply for a grant. The ~~board of the arts~~ commissioner may promulgate rules to implement this section. For this purpose the ~~board of the arts~~ commissioner may promulgate temporary rules pursuant to section 15.0412, subdivision 5. An applicant's share of the grant money shall be based on:

(1) The amount received in the preceding year by the station in private non-tax generated contributions from sources within the state; no contributions made for the purpose of capital expenditures shall be counted; and

(2) The dollar value in the preceding year of contributions of volunteer time to station operations, provided that the volunteer time was not used for the purpose of raising money for the station. Volunteer time shall be valued at the federal minimum wage per hour. A station's total allocation for volunteer time shall not exceed 20 percent of its total grant pursuant to this section.

(b) The ~~board of the arts~~ commissioner shall match every verified contribution dollar under paragraph (a), clause (1) and volunteer time dollar, as calculated under paragraph (a), clause (2), with two state dollars for each eligible applicant until the applicant station has received \$10,000 in grant money under this section, and thereafter grant money shall be distributed on a dollar for dollar basis until the total amount appropriated for that year has been dis-

tributed equally among all applicants. A station may receive state matching money only until the station's total verified contribution and volunteer time has been matched or the amount of the grant received equals one-third of the station's total operating income for the previous fiscal year.

(c) A station may use grant money under this section for any radio station expenses.

Sec. 326. Minnesota Statutes 1980, Section 139.19, Subdivision 6, is amended to read:

Subd. 6. [AUDIT.] A station that receives a grant under this section shall have an audit of its financial records made by an independent auditor or Corporation for Public Broadcasting accepted audit at the end of the fiscal year for which it received the grant. The audit shall include a review of station promotion, operation, and management and an analysis of the station's use of the grant money. A copy of the audit shall be filed with the ~~board of the arts commissioner~~.

Sec. 327. Minnesota Statutes 1980, Section 176.131, Subdivision 10, is amended to read:

Subd. 10. The special compensation fund is created for the purposes provided in this chapter in the following manner:

(1) In every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the commissioner of labor and industry the sum of \$5,000 for the benefit of the special compensation fund; in every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to at least \$5,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner of labor and industry for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and \$5,000; but in no event shall the employer pay the commissioner of labor and industry less than \$1,000;

(2) When an employee suffers a personal injury which results in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability or death and which entitles him or dependents to compensation under sections 176.101 or 176.111, the employer shall in addition to compensation provided therein, pay to the commissioner of labor and industry for the benefit of the special compensation fund a lump sum without interest deduction equal to seven percent of the total compensation, as soon as the amount payable for the particular injury is determined, or arrived at by agreement of the parties and the amount is approved by the commissioner of labor and industry.

The provisions of clauses (1) and (2) shall apply to all workers' compensation payments, exclusive of medical costs, paid under sections 176.101 and 176.111 for all injuries or death occurring on or after June 1, 1971.

Personal injuries that occurred prior to June 1, 1971 shall be assessed at the rate in effect on the date of occurrence.

The seven percent of the total compensation required to be paid by the

employer to the commissioner of labor and industry for the benefit of the special compensation fund as provided in clause (2) of this subdivision shall remain fixed at said seven percent for the period from June 1, 1971, to June 1, 1972. Effective June 1, 1972, through June 1, 1975, and thereafter on January 1, beginning in 1976, the rate shall be adjusted on the following basis: if the balance in the special compensation fund as of April 30 in any year through 1975 and as of September 30, 1975, and each September 30 thereafter, is below \$1,000,000, the rate of payment shall be increased by two percent over the then prevailing rate. If the balance is at least \$1,000,000 but below \$1,500,000, the rate will be increased by one percent. If the balance is at least \$1,500,000 but below \$2,000,000, there shall be no change. If the balance is at least \$2,000,000 but less than \$2,500,000, the rate shall be decreased by one percent. If the balance is at least \$2,500,000, the rate shall be decreased by two percent. If the balance is \$3,000,000 or more the commissioner of labor and industry shall within 30 days determine the percent of decrease, which shall be not less than two percent nor more than five percent.

Sums paid to the commissioner of labor and industry pursuant to the provisions hereof, shall be deposited with the state treasurer for the benefit of the special compensation fund and be used to pay the benefits provided by this chapter. All money heretofore arising from the provisions of this section or similar law shall be transferred to this special compensation fund. Any interest or profit accruing from investment of these sums shall be credited to the special compensation fund.

The state treasurer shall be the custodian of this special fund and the workers' compensation division and the workers' compensation court of appeals in cases before it shall direct the distribution thereof, the same to be paid as other payments of compensation are paid. In case deposit is or has been made under the provisions of clause (1) and dependency later is shown, or if deposit is or has been made pursuant to either clause (1) or (2) by mistake or inadvertence, or under circumstances that justice requires a refund thereof, the state treasurer is authorized to refund the deposit under order of the workers' compensation division or the workers' compensation court of appeals. There is appropriated to the persons entitled to the refunds from the fund an amount sufficient to make the refund and payment.

Costs within the department of labor and industry for the accounting, *investigation*, and legal procedures necessary for administration of the programs financed by the special compensation fund shall be paid from the moneys biennially appropriated to the department and not from the special compensation fund come as appropriated from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the special compensation fund shall be approved through the regular budget and appropriations process.

Sec. 328. Minnesota Statutes 1980, Section 176.183, Subdivision 2, is amended to read:

Subd. 2. ~~Upon a warrant prepared by~~ The commissioner of the department of labor and industry ~~and approved by the commissioner of finance, and~~, in accordance with the terms of the order awarding compensation, ~~the state treasurer~~ shall pay compensation to the employee or his dependent from the special compensation fund. The commissioner of ~~the department~~ of labor and industry

shall certify to the ~~state treasurer~~ *commissioner of finance* and to the legislature ~~at the end of each biennium~~ *annually* the total amount of compensation paid from the special compensation fund under subdivisions 1 and 1a. The ~~state treasurer~~ *commissioner of finance* shall upon proper certification reimburse the special compensation fund *from the general fund* the total amount certified as paid under this section.

Sec. 329. Minnesota Statutes 1980, Section 179.71, Subdivision 2, is amended to read:

Subd. 2. The director shall accept and investigate all petitions for:

(a) certification or decertification as the exclusive representative of an appropriate unit;

(b) mediation services;

(c) any election or other voting procedures provided for in sections 179.61 to 179.76;

(d) certification to the board of arbitration;

(e) *upon the receipt of a \$10 filing fee*, to hear and decide all issues in a fair share fee challenge.

Sec. 330. Minnesota Statutes 1980, Section 223.03, as amended by Laws 1981, Chapter 90, Section 3, is amended to read:

223.03 [LICENSES, APPLICATION, BONDS, CONDITIONS.]

The application for license shall be in writing, state the commodities for which license to sell is wanted, also the cities or other location in the state where applicant intends to do business, and give the business address of the applicant and the estimated volume of business to be done monthly. The bond shall be conditioned for the faithful performance of ~~his~~ *the* duties ~~as of~~ commission merchant. Separate licenses shall be required for each city or location at which consignments are received and disposed of by ~~such~~ *the* commission merchant, and the licenses shall be kept posted in each office of licensee. All licenses shall expire ~~May thirty-first~~ *June 30* of each year. The fee for each license shall be ~~\$50~~ *\$65*. ~~Such~~ *A* license may be revoked by the department for cause, upon notice and hearing. All moneys collected under this chapter shall be deposited in the state treasury.

Sec. 331. Minnesota Statutes 1980, Section 231.16, is amended to read:

231.16 [WAREHOUSEMAN TO OBTAIN LICENSE.]

Every person desiring to engage in the business of warehouseman, before engaging therein, shall be licensed annually by, and shall be under the supervision and subject to the inspection of, the department. Written application in ~~such~~ *the* form ~~as shall be~~ prescribed by the department shall be made to the department for license, specifying the city in which it is proposed to carry on the business of warehousing, the location, size, character, and equipment of the buildings or premises to be used by the warehouseman, the kind of goods, wares, and merchandise intended to be stored therein, the name of the person or corporation operating the same, and of each member of the firm or officer of the corporation, and any other facts necessary to satisfy the department that the property proposed to be used is suitable for warehouse purposes and that the

warehouseman making the application is qualified to carry on the business of warehousing. Should the department decide that the building or other property proposed to be used as a warehouse is suitable for the proposed purpose and that the applicants are entitled to a license, notice of ~~such~~ *the* decision shall be given the interested parties and, upon the applicants filing with the department the necessary bond, as provided for in this chapter, the department shall issue the license provided for, upon payment of the license fee, as in this section provided. A warehouseman to whom a license is issued shall pay for ~~such~~ *the* license a fee based on the storage capacity of the warehouse as follows:

Storage capacity in square feet:	
(1) 5,000 or less	\$ 50 \$65
(2) Over 5,000 to 10,000	\$100 \$125
(3) Over 10,000 to 20,000	\$150 \$200
(4) Over 20,000 to 100,000	\$200 \$250
(5) Over 100,000 to 200,000	\$250 \$325
(6) Over 200,000	\$300 \$375.

~~Such~~ *The* license ~~may~~ *shall* be renewed ~~from year to year~~ *but shall never be valid for a period of more than one year annually on June 30*, and always upon payment of the full license fee, as provided for in this section for such renewal; and no license shall be issued for any portion of a year for less than the full amount of the license fee, as provided for in this section. Each license obtained under this chapter shall be publicly displayed in the main office of the place of business of the warehouseman to whom it is issued. ~~Such~~ *The* license shall authorize the warehouseman to carry on the business of warehousing only in the one city or town named in the application and in the buildings therein described. The department, without requiring an additional bond and license, may issue permits from time to time to any warehouseman already duly licensed under the provisions of this chapter to operate an additional warehouse in the same city or town for which his original license was issued during the term thereof, upon his filing an application for ~~such~~ *a* permit in ~~such~~ *the* form as ~~shall~~ be prescribed by the department.

License may be refused for good cause shown and revoked by the department for violation of law or of any rule or regulation by it prescribed, upon notice and after hearing.

Sec. 332. Minnesota Statutes 1980, Section 232.02, Subdivision 1, is amended to read:

Subdivision 1. Any person, firm, or corporation, operating a public or private local grain warehouse shall be licensed to buy grain annually by the department. Application for license must be filed with the department and the license issued before transacting warehouse business. The fee shall be ~~\$25~~ \$35 for each private local grain warehouse license issued and a license shall be required for each warehouse operated. ~~For the purpose of distributing the work of issuing licenses, the department may, beginning July 1, 1968, and until July 1, 1970, issue the licenses provided for in this section for periods of not less than three months nor more than twelve months and prorate the fee for such license according to the length of time for which the license is issued. Thereafter,~~ Licenses shall expire ~~one year from the date of issuance annually on June 30~~.

Sec. 333. Minnesota Statutes 1980, Section 232.02, Subdivision 2, is

amended to read:

Subd. 2. Any person, firm or corporation operating a public local grain warehouse shall be licensed annually by the department; ~~said~~ the license shall cover both the buying and storing of grain. Application for ~~such~~ the license must be filed with the department and the license issued before the licensee may either buy or store grain. ~~For the purpose of distributing the work of issuing licenses, the department may, beginning July 1, 1968, and until July 1, 1970, issue the licenses provided for in this section for periods of not less than three months nor more than twelve months and prorate the fee for such licenses according to the length of time for which the license is issued. Thereafter,~~ All licenses shall expire ~~one year from the date of issuance~~ annually on June 30. The fee for the issuance of ~~such~~ the license shall be as follows: for all warehouses under 100,000 bushels capacity — \$30 \$40; if the capacity is 100,000 bushels or over but under 500,000 bushels — \$45 \$60; if the capacity is 500,000 bushels or over — \$60 \$75. The fees collected under this section shall be paid into the state treasury and credited to the general fund. ~~Such~~ A license shall be revocable by the department for cause upon notice and hearing. All licenses, grade rules, and all rules regulating public or private local grain warehouses shall, upon receipt thereof by the warehouseman, be posted in a protected place in the driveway to ~~his~~ the warehouse.

Sec. 334. Minnesota Statutes 1980, Section 232.02, Subdivision 3, is amended to read:

Subd. 3. Any person, firm, or corporation, other than a licensed warehouseman, who shall purchase grain from the owner thereof for the purpose of resale shall first procure a license therefor from the department before transacting such business and shall be subject to the same laws, rules, and regulations as may govern local grain warehousemen insofar as they may apply. The fee for each such buyer's license shall be \$20 \$25. ~~For the purpose of distributing the work of issuing licenses, the department may, beginning July 1, 1968, and until July 1, 1970, issue the licenses provided for in this section for periods of not less than three months nor more than twelve months and prorate the fee for such licenses according to the length of time for which the license is issued. Thereafter,~~ All licenses shall expire ~~one year from the date of issuance~~ annually on June 30. Truck grain buyers using trucks or tractor-trailer units shall obtain a separate license for each truck or tractor-trailer unit used in such grain buying. Before any license shall be issued the applicant therefor shall file with the department a bond to the state with a corporate surety, approved by the department, in a penal sum to be prescribed by the department, but not less than \$3,000 for each such truck and not less than \$5,000 for each tractor-trailer unit used in grain buying, conditioned that the applicant will pay upon demand to ~~such~~ the owner the purchase price of ~~such~~ the grain. ~~Said~~ The bond is to provide coverage or security for the protection of the public required with respect to truck grain buyers, regardless of whether the motor vehicles used by the licensee are specifically licensed as required by this section.

Sec. 335. Minnesota Statutes 1980, Section 233.08, is amended to read:

233.08 [LICENSE.]

No public terminal warehouse shall be operated or receive grain for storage, either to be mixed with the grain of other parties of like grade, or in separate bins, until the owners or parties in charge and operating ~~such~~ the warehouse

shall first obtain a license from the department authorizing ~~such the~~ warehouseman to operate ~~such a~~ warehouse under the provisions of this chapter. All licenses issued or renewed annually shall expire at midnight on the 30th day of June next following the date of issuance or renewal. Before any ~~such~~ license shall be issued, written application ~~under oath~~ shall be made to the department for license specifying the kind of warehouse, the nature of its construction, its capacity and location, the name of the firm or corporation operating the same and each member of the firm or officer of the corporation and ~~such~~ other facts as the department may require shall be contained in ~~such the~~ application. The application shall be acted upon with reasonable dispatch by the department; and, if no reason exists for refusing the same, ~~such a~~ license may be issued upon the payment of the fee of ~~\$50 \$60~~ for each elevator. ~~Such~~ The application shall be granted only upon the warehouseman furnishing to the department a bond to the state of Minnesota, to be approved by the department, in a penal sum to be fixed by the department but not less than \$50,000 for each warehouse, which shall be conditioned for the faithful discharge of ~~his the~~ duties ~~as~~ ~~such~~ of warehouseman and full compliance with all the laws of the state and rules of the department relative to the operation of public terminal warehouses and for the delivery to parties storing grain in such warehouses under the terms of this chapter of the grain or an equal amount of the same kind and grade so stored or the payment therefor of the value of ~~such the~~ grain in case of failure to make ~~such the~~ delivery. ~~Such~~ The license may be revoked by the department for violation of the law or any rule or regulation prescribed by the department, but shall only be revoked upon a written notice or complaint specifying the charges and after a hearing had before the department. A license may be refused to any warehouseman whose license has been revoked within the preceding year. All moneys collected for license fees shall be deposited with the state treasurer. If ~~such a~~ warehouseman applies for a license for more than one warehouse in the same county, but one bond need be furnished but the same shall in all cases be in proportion to the capacity of ~~such all~~ warehouses.

Sec. 336. [270.063] [COLLECTION OF DELINQUENT TAXES.]

For the purpose of collecting delinquent state tax liabilities from taxpayers who do not reside or are not located in Minnesota, there is appropriated to the commissioner of revenue an amount representing the cost of collection, not to exceed one-third of the amount collected by contract with collection agencies to enable the commissioner to reimburse these agencies for this service. The commissioner shall report quarterly on the status of this program to the chairmen of the house tax and appropriation committees and senate tax and finance committees.

Sec. 337. Minnesota Statutes 1980, Section 270.66, is amended to read:

270.66 [RIGHT OF SETOFF.]

Upon certification by the commissioner of revenue to the commissioner of finance that a taxpayer has an uncontested delinquent tax liability owed to the commissioner of revenue, and notice that the state has purchased personal services, supplies, contract service, or purchased property from said taxpayer, the commissioner of finance shall apply to such delinquent tax liability funds sufficient to satisfy such unpaid tax liability from funds appropriated for payment of said obligation of the state or any of its agencies that are due and owing the taxpayer, provided however, that such credit shall not be made against any

funds exempt under section 550.37 or owed the taxpayer under the provisions of chapter 256 or 256B.

All funds, whether general or dedicated, shall be subject to setoff in the manner herein provided. Transfer of funds as herein provided is payment of the obligation of the state or any of its agencies to such taxpayer and any actions for said funds, if any, shall be had against the department of revenue on the issue of such tax liability. Nothing in this section shall be construed to limit the previously existing right of the state or any of its agencies to setoff.

Notwithstanding any provision to the contrary, every person, organization, or corporation doing business (hereafter called vendor) with the state of Minnesota or any of its departments, agencies, or educational institutions including the University of Minnesota (all hereafter called agency) shall provide that agency with their social security number or Minnesota tax identification number. The agency shall maintain records of this information, and shall make these records available to the commissioner, upon his request, for the sole purpose of identifying people who have not filed state tax returns or who have not paid uncontested state tax liabilities (hereafter called delinquent taxpayer). When an agency is notified by the commissioner that a vendor is a delinquent taxpayer, payments shall not be made by the agency to the vendor until the commissioner notifies the agency that the vendor no longer is a delinquent taxpayer. The commissioner shall determine that a vendor no longer is a delinquent taxpayer when the vendor has filed all delinquent state tax returns, paid all uncontested state tax liabilities or entered into an agreement with the commissioner which provides for the payment of these liabilities. The commissioner may notify an agency concerning a vendor, notwithstanding the provisions of sections 290.61 or 297A.43.

Sec. 338. Minnesota Statutes 1980, Section 271.02, is amended to read:

271.02 [OFFICERS.]

The judges of the tax court shall choose a chief judge of the tax court. The chief judge of the tax court shall appoint one of the judges to serve as the administrator, who shall be custodian of the court's files and records and shall coordinate and make hearing assignments. The administrator may appoint ~~up to two~~ ^{up to two} employees who shall be in the unclassified service. The judge who is appointed the administrator may delegate his duties as administrator to the employees whom he has appointed and may select one employee to act in his place as the assistant administrator. The clerk of district court in each county shall be the clerk of the tax court in that county. Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the tax court and in cases originally commenced in district court and transferred to the tax court shall be retained by the clerk of district court. The tax court clerk in each county shall be subject to the supervision of the administrator in tax court matters.

Sec. 339. Minnesota Statutes 1980, Section 284.28, Subdivision 8, is amended to read:

Subd. 8. There is established in the state treasury a real estate assurance account. This account is composed of money appropriated by the legislature for this purpose and all money deposited in the state treasury and credited to the account. Money in the state treasury credited to the real estate assurance ac-

count from all sources is annually appropriated to the state treasurer for the purpose of paying claims ordered by the district court to be paid from the fund. At the time of sale of a parcel of tax forfeited land, the county auditor shall charge and collect in full an amount equal to three percent of the total sale price of land. Before filing a notice of expiration of time for redemption, in cases where an auditor's certificate of sale or a state assignment certificate has been issued, the county auditor shall charge and collect in full from the holder of the certificate an amount equal to three percent of the appraised value of the property for tax purposes. The amounts so collected by the auditor shall be deposited in the state treasury and credited to the real estate assurance account. Income earned from moneys in the account shall be credited to the account. The state treasurer may separately invest account moneys. *The unobligated balance in the real estate assurance account in excess of \$100,000, as of July 1 of each fiscal year, shall be cancelled into the general fund.*

In determining compensation for the unjust deprivation suffered by the claimant, which may include severance damages sustained if the claimant owns adjoining land, the court shall take into account delinquent taxes, penalties, costs, and interest which would have been due and owing if the claimant had redeemed the land.

No claimant shall recover the value of improvements made to the land by other persons or the increment in value of land that occurs after the claimant has actual notice of the forfeiture proceeding. All claims against the real estate assurance account and ordered by the district court to be paid therefrom shall be obligations of the state and shall be paid out of the first moneys coming into the assurance fund from legislative appropriations, the collection of money by county auditors or from any other sources as provided by law.

Sec. 340. Minnesota Statutes 1980, Section 290.431, is amended to read:

290.431 [NON-GAME WILDLIFE CHECKOFF.]

Effective with returns filed for taxable years beginning after December 31, 1979, every person who files an income tax return or property tax refund claim form may designate that \$1 or more shall be *added to the tax or* deducted from the refund that would otherwise be payable *by or* to that person and paid into a ~~fund~~ *an account* to be established for the management of non-game wildlife. The commissioner of revenue shall, on the first page of the income tax return and the property tax refund claim form, notify filers of their right to designate that a portion of their *tax or* refund shall be paid into the non-game wildlife management ~~fund~~ *account*. The sum of the amounts so designated to be paid shall be ~~annually appropriated from the general fund to the commissioner of natural resources and~~ credited to the non-game wildlife management ~~fund~~ *account* for use by the non-game section of the division of wildlife in the department of natural resources. *The commissioner of natural resources shall submit a work program for each fiscal year and semi-annual progress reports to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be expended unless the commission has approved the work program.*

Sec. 341. Minnesota Statutes 1980, Section 300.49, Subdivision 1, is amended to read:

Subdivision 1. [PAID TO STATE TREASURER.] Domestic corporations

shall pay to the state treasurer the following fees:

(1) For filing articles of incorporation, ~~\$62.50~~ \$70 for the first \$25,000 or fraction thereof of the par value of its authorized shares, and \$1.25 for each additional \$1,000 or fraction thereof;

(2) For filing an instrument extending or renewing corporate existence, ~~\$40~~ \$15;

(3) For filing any amendment of articles of incorporation increasing the authorized number of shares, or the par value of shares previously authorized, or both, \$1.25 for each \$1,000 or fraction thereof of such increase.

Sec. 342. Minnesota Statutes 1980, Section 301.071, Subdivision 2, is amended to read:

Subd. 2. In addition to the fees prescribed in subdivision 1, a fee of ~~\$40~~ \$15 shall be paid to the secretary of state for filing any instrument required to be filed under the provisions of this chapter. The fee shall be paid at the time the service is performed.

Sec. 343. The bill enacted at the 1981 session of the legislature known as S.F. No. 120, Section 1, Subdivision 11, is amended to read:

Subd. 11. [FILED WITH THE SECRETARY OF STATE.] "Filed with the secretary of state" means that an original of a document meeting the applicable requirements of sections 1 to 125, signed, and acknowledged or verified in the manner provided in chapter 358, and accompanied by a filing fee of ~~\$40~~ \$15, has been delivered to the secretary of state of this state. The secretary of state shall endorse on the original the word "Filed" and the month, day, year, and time of filing, record the document in the office of the secretary of state, and return the document to the person who delivered it for filing.

Sec. 344. The bill enacted at the 1981 session of the legislature known as S.F. No. 120, Section 19, is amended to read:

Sec. 19. [302A.153] [EFFECTIVE DATE OF ARTICLES.]

Articles of incorporation are effective and corporate existence begins when the articles of incorporation are filed with the secretary of state accompanied by a payment of ~~\$60~~ \$85, which includes a ~~\$50~~ \$70 incorporation fee in addition to the ~~\$40~~ \$15 filing fee required by section 1, subdivision 11. Articles of amendment are effective when filed with the secretary of state or at another time within 30 days after filing if the articles of amendment so provide.

Sec. 345. Minnesota Statutes 1980, Section 322A.16, is amended to read:

322A.16 [FILING IN OFFICE OF SECRETARY OF STATE.]

(a) Two signed copies of the certificate of limited partnership and of any certificates of amendment or cancellation (or of any judicial decree of amendment or cancellation) shall be delivered to the secretary of state. A person who executes a certificate as an agent or fiduciary need not exhibit evidence of his authority as a prerequisite to filing. Unless the secretary of state finds that any certificate does not conform to law, upon receipt of ~~all filing fees required by law~~ a \$10 filing fee he shall:

(1) endorse on each duplicate original the word "Filed" and the day, month and year of the filing thereof;

(2) file one duplicate original in his office; and

(3) return the other duplicate original to the person who filed it or his representative.

(b) Upon the filing of a certificate of amendment (or judicial decree of amendment) in the office of the secretary of state, the certificate of limited partnership shall be amended as set forth therein, and upon the effective date of a certificate of cancellation (or a judicial decree thereof), the certificate of limited partnership is cancelled.

Sec. 346. Minnesota Statutes 1980, Section 322A.71, is amended to read:

322A.71 [ISSUANCE OF REGISTRATION.]

(a) If the secretary of state finds that an application for registration conforms to law and ~~all requisite fees have a \$10 filing fee~~ has been paid, he shall:

(1) endorse on the application the word "Filed", and the month, day and year of the filing thereof;

(2) file in his office a duplicate original of the application; and

(3) issue a certificate of registration to transact business in this state.

(b) The certificate of registration, together with a duplicate original of the application, shall be returned to the person who filed the application or his representative.

Sec. 347. Minnesota Statutes 1980, Section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, identify the original statement by file number, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying

with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if he has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if he physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be \$2 \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$3 \$10 , plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. ~~The uniform fee for each name more than one required to be indexed shall be \$1. The secured party may at his option show a trade name for any person and an extra uniform indexing fee of \$1 shall be paid with respect thereto. An additional fee of \$5 shall be collected if more than one name is required to be indexed or if the secured party, at his option, shows a trade name for any debtor listed. There shall be no fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and otherwise it shall be \$5.~~

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or

the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagor, under the name of the secured party as if he were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

Sec. 348. Minnesota Statutes 1980, Section 336.9-404, is amended to read:

336.9-404 [TERMINATION STATEMENT.]

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be identified by file number. In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor he shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.

(2) On presentation to the filing officer of such a termination statement he must note it in the index. If he has received the termination statement in duplicate, he shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, he may remove the originals from the files at any time after receipt of the

termination statement, or if he has no such record, he may remove them from the files at any time after one year after receipt of the termination statement.

(3) *There shall be no fee collected for the filing of a termination if the termination statement is in the standard form prescribed by the secretary of state the uniform fee for filing and indexing the termination statement shall be \$1 and otherwise shall be \$2 \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of \$1 shall be charged for each name more than one against which the termination statement is required to be filed.*

Sec. 349. Minnesota Statutes 1980, Section 336.9-405, is amended to read:

336.9-405 [ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.]

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face or back of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403(4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be ~~\$2~~, the same as the fee prescribed in section 336.9-403, clause (5).

(2) A secured party may assign of record all or a part of his rights under a financing statement by the filing in the place where the original financing statement was filed of a separate written statement of assignment signed by the secured party of record and setting forth the name of the secured party of record and the debtor, the file number and the date of filing of the financing statement, and the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. He shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, he shall index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, he shall index the assignment of the financing statement under the name of the assignee. The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment shall be ~~\$2 \$5~~ if the statement is in the standard form prescribed by the secretary of state and otherwise shall be ~~\$3 \$10~~, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of ~~\$4 \$5~~ shall be charged for each name if there is more than one name against which the statement of assignment is required to be indexed. Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, Chapter 135.

(3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.

Sec. 350. Minnesota Statutes 1980, Section 336.9-406, is amended to read:

336.9-406 [RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.]

A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon presentation of such a statement of release to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. ~~The uniform~~ *There shall be no fee for filing and noting such a statement of release shall be \$2 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$3 \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of \$1 shall be charged for each name more than one against which the statement of release is required to be indexed.*

Sec. 351. Minnesota Statutes 1980, Section 336.9-407, is amended to read:

336.9-407 [INFORMATION FROM FILING OFFICER.]

(1) If the person filing any financing statement, termination statement, statement of assignment, or statement of release, furnishes the filing officer a copy thereof, the filing officer shall upon request note upon the copy the file number and date and hour of the filing of the original and deliver or send the copy to such person.

(2) Upon request of any person, the filing officer shall ~~issue his certificate showing whether there is on file on the date and hour stated therein any presently effective financing statement naming a particular debtor and any statement of assignment thereof and, if there is, giving the date and hour of filing of each such statement and the names and addresses of each secured party therein. The uniform fee for such a certificate shall be \$2 if the request is in the standard form prescribed by the secretary of state and otherwise shall be \$3 plus 50 cents for each financing statement and for each statement of assignment reported therein. Upon request the filing officer shall furnish a copy of any filed financing statement or statement of assignment for a uniform fee of 50 cents per page. conduct a search of his file for any effective financing statements naming a particular debtor and any statement of assignment thereof. He shall report what he finds as of that date and hour by issuing:~~

(a) *His certificate listing the file number, date, and hour of each filing and the names and addresses of each secured party therein;*

(b) *Photocopies of the original documents on files; or,*

(c) *Upon request, both his certificate and photocopies of the statements.*

The uniform fee for conducting the search and for preparing a certificate showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, shall be \$5 if the request is in the standard form prescribed by the secretary of state and otherwise shall be \$10. There shall be an additional fee of 50 cents for each financing statement and each statement of assignment listed on the certificate and for each photocopy that he prepares in excess of the first five.

Sec. 352. Minnesota Statutes 1980, Section 345.42, Subdivision 1, is amended to read:

Subdivision 1. Within 120 days from the filing of the report required by section 345.41, the state treasurer shall cause notice to be published at least once ~~each week for two successive weeks~~ but not more than twice in an English language newspaper of general circulation in the county in this state in which is located the last known address of any person to be named in the notice. If no address is listed or if the address is outside this state, the notice shall be published in the county in which the holder of the abandoned property has his principal place of business within this state.

Sec. 353. Minnesota Statutes 1980, Section 345.53, is amended to read:

345.53 [EXAMINATION OF RECORDS.]

Subdivision 1. The state treasurer may at reasonable times and upon reasonable notice examine the records of any person if he has reason to believe that ~~such~~ the person has failed to report property that should have been reported pursuant to sections 345.31 to 345.60.

Subd. 2. If an examination of the records of a person results in the disclosure of property reportable and deliverable under sections 345.31 to 345.60, the treasurer may assess the cost of the examination against the holder at the rate of \$15 per hour per examiner, but in no case may the charges exceed the value of the property found to be reportable and deliverable.

Sec. 354. Minnesota Statutes 1980, Section 352E.04, is amended to read:

352E.04 [DISBURSEMENTS.]

Upon certification to the governor by the administrator of any state or governmental subdivision employing peace officers that a peace officer employed by that state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$50,000 as follows:

- (a) If there is no dependent child, to the spouse;
- (b) If there is no spouse, to the dependent child or children in equal shares;
- (c) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;
- (d) If there is no surviving spouse or dependent child or children, to the parent or parents dependent for support on the decedent, in equal shares;
- (e) If there is no surviving spouse or dependent child, children or parent, then there shall be no payment made from the peace officers benefit fund. ~~For~~

the purpose of sections 352E.01 to 352E.045, killed in the line of duty shall not include any peace officer who dies as a result of a heart attack.

Sec. 355. Minnesota Statutes 1980, Section 354.43, Subdivision 3, is amended to read:

Subd. 3. Each school district, state university, community college and any other employing authority of members of the fund shall be obligated for employer contributions in accordance with the provisions of sections 354.42, subdivisions 3 and 5, and 355.46, subdivision 3, as provided in this section. *With respect to state employees, each department and agency shall pay the amounts required by section 354.42, subdivisions 3 and 5 from the 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 the salaries. The payments shall be charged as an administrative cost by these units of state government. For other reporting units, that portion of such the employer contributions based on salaries paid from sources other than normal school operating funds as defined in section 354.05, subdivision 27 shall be remitted to the teachers retirement association. Such The remittance shall be accompanied by a satisfactory certification which shows the total of all salaries paid which are subject to teachers retirement deductions. Such The certification shall also show the total amount of salaries paid from normal school operating funds and the total amount of salaries paid from sources other than normal school operating funds as defined in section 354.05, subdivision 27. For each individual salary included in the total of all salaries paid from sources other than normal school operating funds as defined in section 354.05, subdivision 27, the certification shall show each person's name, his salary or related portion of salary and remittance of employer contributions related to such the salary for each person included in the actual remittance.*

Sec. 356. Minnesota Statutes 1980, Section 355.06, is amended to read:

355.06 [~~REVOLVING FUND~~ COSTS OF ADMINISTRATION.]

Subdivision 1. [REVOLVING FUND.] A revolving fund is hereby created to be known as the state agency revolving fund for the purpose of paying the costs of the administration of the state agency and to be used by it solely for that purpose. There shall be paid into such fund all amounts received in reimbursement of the state agency's costs of administration in carrying out the provisions of this chapter, as amended, and such reimbursements are hereby appropriated to said revolving fund.

Subd. 2. [FEDERAL FUND POSITIONS: APPROPRIATION.] 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.

Subd. 3. [DEDICATED FUND POSITIONS: APPROPRIATION.] 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. 357. Minnesota Statutes 1980, Section 480.0595, is amended to read:

480.0595 [JUVENILE COURT RULES.]

The supreme court shall promulgate rules to regulate the pleadings, practice, procedure and the forms thereof in juvenile proceedings in all juvenile courts of the state in accordance with the provisions of section 480.059, except with respect to the composition of the advisory committee and the distribution of the proposed rules. Before adoption of the rules, the supreme court shall distribute copies of the proposed rules to such persons who register with the supreme court their desire to receive notice of hearings on the proposed rules. The rules shall be published and distributed available for distribution to the judiciary and attorneys of the state on or before September 1, 1981.

Sec. 358. [EXPENSES OF JUDGES.]

During the biennium ending June 30, 1983, judges of the district court shall be reimbursed for all sums, not reimbursed by counties. They shall necessarily hereafter pay out membership dues in state and local judges' associations.

Sec. 359. Minnesota Statutes 1980, Section 546.27, is amended to read:

546.27 [DECISION BY THE COURT.]

Subdivision 1. When an issue of fact has been tried by the court, the decision shall be in writing, the facts found and the conclusion of law shall be separately stated, and judgment shall be entered accordingly. All questions of fact and law, and all motions and matters submitted to a judge for his a decision in trial and appellate matters, shall be disposed of and his the decision filed with the clerk within 90 days after such submission, unless sickness or casualty shall prevent, or the time be extended by written consent of the parties. No part of the salary of any judge shall be paid unless the voucher therefor be accompanied by a certificate of the judge that he has fully complied there has been full compliance with the requirements of this section.

Subd. 2. The board on judicial standards shall annually review the compliance of each district, county, municipal, or probate judge with the provisions of subdivision 1. The board shall notify the state court administrator commissioner of finance of each judge not in compliance. If the board finds that a judge has compelling reasons for noncompliance, it may decide not to issue the notice. Upon notification that a judge is not in compliance, the commissioner of finance shall not pay the salary of that judge his salary. The board may cancel a notice of noncompliance upon finding that a judge has returned his status is in to compliance, but in no event shall a judge be paid his a salary for the period in which the notification of noncompliance was in effect.

Sec. 360. [611.215] [STATE BOARD OF PUBLIC DEFENSE CREATED.]

Subdivision 1. [CREATION; MEMBERSHIP.] There is created a state board of public defense as a part of, but not subject to the administrative control of, the judicial branch of government. The state board of public de-

fense shall consist of seven members appointed by the governor including:

(a) *A district, county or county municipal court trial judge;*

(b) *Four attorneys admitted to the practice of law, well acquainted with the defense of persons accused of crime, but not publicly employed as a prosecutor or defense counsel; and*

(c) *Two public members.*

All members shall demonstrate an interest in maintaining a high quality, independent defense system for those who are unable to obtain adequate representation. In making the four appointments of attorneys at law, the governor shall first consider a list of at least three nominees for each position submitted to the governor by the state bar association. The terms, compensation and removal of members shall be as provided in section 15.0575. The chairman shall be elected by the members from among the membership for a term of two years.

Subd. 2. [DUTIES AND RESPONSIBILITIES.] The state board of public defense shall have those duties and responsibilities imposed upon it by chapter 611.

Subd. 3. [LIMITATION.] In no event shall the board or its members interfere with the discretion, judgment or zealous advocacy of counsel in their handling of individual cases as a part of the judicial branch of government.

Sec. 361. Minnesota Statutes 1980, Section 611.23, is amended to read:

611.23 [APPOINTMENT; SALARY.]

The state public defender shall be appointed by the state ~~judicial council~~ *board of public defense* for a term of four years, except as otherwise provided herein, and until his successor is appointed and qualified. He shall be a qualified attorney, licensed to practice law in this state, ~~shall be serve~~ in the unclassified service of the state, and ~~shall~~ be removed only for cause by the appointing authority. Vacancies in the office shall be filled by the appointing authority for the unexpired term. The salary of the state public defender shall be fixed by law. ~~The first state public defender appointed pursuant to this section shall be appointed for a term commencing July 1, 1965, and expiring December 31, 1969. Subsequent~~ Terms of the state public defender shall commence on January 1. The state public defender shall devote full time to the performance of his duties and shall not engage in the general practice of law.

Sec. 362. Minnesota Statutes 1980, Section 611.24, is amended to read:

611.24 [ORGANIZATION OF OFFICE; ASSISTANTS.]

~~Subject to the approval of the judicial council;~~ The state public defender may employ or retain assistant state public defenders and ~~such~~ other personnel as may be necessary to discharge the function of the office. The commissioner of administration shall provide ~~such~~ the office with suitable quarters outside the capitol building. An assistant public defender shall be a qualified attorney, licensed to practice law in this state, ~~shall be serve~~ in the unclassified service of the state if employed, and ~~shall~~ serve at the pleasure of the appointing authority at a salary or retainer fee not to exceed reasonable compensation for comparable services performed for other governmental agencies or departments. Retained or part-time employed assistant state public defenders may engage in the

general practice of law.

Sec. 363. Minnesota Statutes 1980, Section 611.26, Subdivision 1, is amended to read:

Subdivision 1. A majority of the judges of any judicial district not subject to the provisions of section 611.12, except the second *district*, may, by written order filed with the state ~~judicial council~~ *board of public defense*, establish in ~~such~~ *the* district the public defender system provided in Laws 1965, Chapter 869. ~~Such~~ *The* ~~an~~ order shall be effective 30 days after its filing. Notwithstanding this subdivision the state public defender may assist the public defenders of the second and fourth judicial districts at their request.

Sec. 364. Minnesota Statutes 1980, Section 611.26, Subdivision 2, is amended to read:

Subd. 2. Upon the filing of an order pursuant to subdivision 1 the state ~~judicial council~~ *board of public defense* shall appoint a district public defender after receiving recommendations from the judges of the district. Each district public defender shall be a qualified attorney, licensed to practice law in this state. He shall be appointed for a term of four years. The district public defender may be removed *for cause* upon the order of the state ~~judicial council~~ *board of public defense* ~~for cause~~. Vacancies in the office shall be filled by the appointing authority for the unexpired term.

Sec. 365. Minnesota Statutes 1980, Section 611.26, Subdivision 3, is amended to read:

Subd. 3. The compensation of the district public defender for each judicial district shall be set by the ~~judicial council~~ *board of public defense* at a specified sum per month or an hourly or per diem basis.

Sec. 366. Minnesota Statutes 1980, Section 611.26, Subdivision 4, is amended to read:

Subd. 4. A district public defender may appoint assistants, after receiving recommendations from the judges of the district, each of whom shall be a qualified attorney, licensed to practice law in this state, ~~but only with subject to~~ the approval of the ~~judicial council~~ *board of public defense* and ~~in accordance with the other~~ provisions of this section. Each assistant district public defender shall serve at the pleasure of the district public defender.

Sec. 367. Minnesota Statutes 1980, Section 611.26, Subdivision 5, is amended to read:

Subd. 5. The compensation of each assistant district public defender for each of the judicial districts shall be set by the district public defender with the approval of the ~~judicial council~~ *board of public defense*, at a specified sum per month or an hourly or per diem basis.

Sec. 368. [TRANSITION.]

A written order filed before July 1, 1981 with the state judicial council establishing a district public defender system shall remain in effect. A district public defender, serving on July 1, 1981, may continue in office until the expiration of the term to which he has been appointed. The state public defender, serving on July 1, 1981, may continue in office until the expiration of the term to which he has been appointed.

Sec. 369. Minnesota Statutes 1980, Section 638.08, is amended to read:

638.08 [ISSUANCE OF PROCESS; WITNESSES; STANDING APPROPRIATION.]

The board of pardons may issue process requiring the presence of any person or officer before it, with or without books and papers, in any matter pending, and may take such reasonable steps in the matter as it may deem necessary to a proper determination thereof. When any person is summoned before the board by its authority, ~~he~~ *the person* may be allowed such compensation for travel and attendance as it may deem reasonable. ~~The sum of \$300 is hereby appropriated annually for carrying out the provisions of this chapter.~~

Sec. 370. Minnesota Statutes 1980, Section 648.39, is amended to read:

648.39 [MINNESOTA STATUTES AND SESSION LAWS; SALE AND DISTRIBUTION.]

Subdivision 1. [FREE DISTRIBUTION.] ~~To the extent that appropriations are available therefor,~~ The revisor of statutes shall *without charge* distribute each edition of Minnesota Statutes, *supplement to the Minnesota Statutes*, and ~~each edition of the session laws~~ *Laws of Minnesota to the persons, officers, departments, agencies, or commissions listed in this subdivision. Prior to distribution of Minnesota Statutes, supplement to the Minnesota Statutes, or the Laws of Minnesota, the revisor of statutes shall inquire whether the full number of copies authorized by this subdivision are required for their work. Unless a smaller number is needed, each edition shall be distributed without charge as follows:*

(a) 30 copies to the supreme court;

(b) 1 copy to each judge of a district court;

(c) 1 copy to the clerk of each district court for use in each courtroom of the district court of his county;

(d) 100 copies to the state law library;

(e) 100 copies to the law school of the University of Minnesota;

(f) ~~35~~ 100 copies to the office of the attorney general;

~~Such~~ (g) 10 copies as ~~may be necessary but not exceeding ten~~ each to the governor's office, the departments of ~~administration,~~ agriculture, commerce, corrections, education, health, transportation, labor and industry, economic security, natural resources, public safety, public service, public welfare, and revenue, and the pollution control agency;

(h) 1 copy each to ~~the other~~ state departments, agencies, boards, and commissions ~~that may request a copy not specifically named in this subdivision;~~

(i) 1 copy to each member of the legislature;

~~The necessary number of~~ (j) 100 copies ~~required~~ for the use of the senate and 150 copies for the use of the house of representatives;

(k) 4 copies to the secretary of the senate;

(l) 4 copies to the chief clerk of the house of representatives;

(m) 1 copy to each judge, district attorney, clerk of court of the United States

and the deputy clerk of each division of the United States district court in this state, the secretary of state of the United States, the library of congress, and the Minnesota historical society-;

~~Subd. 1a. Notwithstanding the provisions of subdivision 1, (n) 20 copies each to the departments department of administration and, state auditor, and legislative auditor may each receive not more than 20 copies of each edition of Minnesota Statutes and each edition of the session laws-;~~

~~(o) 1 copy to each county library maintained pursuant to section 134.12 or 375.33, except in counties containing cities of the first class. If a county has not established a county library pursuant to section 134.12 or 375.33, the copy shall be provided to any public library in the county; and~~

~~(p) 50 copies to the revisor of statutes.~~

Subd. 2. [COUNTY OFFICERS.] Each county shall purchase from the revisor of statutes one copy each for the use of the judge of probate, county attorney, sheriff, auditor, treasurer, county recorder, and superintendent of schools.

Subd. 3. [CITY AND TOWN OFFICERS.] Each city and town shall purchase from the revisor of statutes, for the use of each justice of the peace, judge of the municipal court, clerk of the municipal court, and clerk of the city or town, as the case may be, ~~such~~ the number of copies as the city or town shall determine determines is needed.

Subd. 4. [STATE DEPARTMENTS.] A department, agency, board, commission, or other instrumentality of the state listed in this section may purchase from the revisor of statutes any additional copies which may be required.

Subd. 5. [SALE PRICE.] The sale price for each edition of Minnesota Statutes is ~~not less than~~ the actual cost thereof of composition, printing, binding, and distribution of all books ordered, but in no event not less than \$100 \$75. The sale price prices of each edition of the Laws of Minnesota session laws is and supplement to the Minnesota Statutes are not less than the actual cost thereof of composition, printing, binding and distribution of all books ordered, but in no event not less than \$35 \$25. Nothing in this subdivision The revisor of statutes shall be construed to fix the sale prices of paper back editions of each of the publications should the revisor of statutes deem it desirable to publish paper back copies or pamphlets published pursuant to section 648.43. Receipts from the sale of the Minnesota Statutes, supplement to the Minnesota Statutes, Laws of Minnesota, and any pamphlets shall be deposited in the general fund.

Subd. 6. The revisor of statutes shall provide without cost one copy of each edition of Minnesota Statutes and one copy of each supplement to Minnesota Statutes to each county library maintained pursuant to section 375.33 or 134.12, except in counties containing cities of the first class. If a county has not established a county library pursuant to section 375.33 or 134.12, the copies shall be provided to a public library designated by the county board after consultation with the regional library, if any, established pursuant to section 375.335 for the region in which the county is located.

Sec. 371. Laws 1976, Chapter 337, Section 1, Subdivision 2, as amended by Laws 1978, Chapter 793, Section 82, is amended to read:

Subd. 2: The council shall consist of five members of the house of representatives appointed by the speaker, five members of the senate appointed by the committee on committees, and twelve citizens appointed by the governor. At least 50 percent of those appointed by the governor and by the speaker of the house shall be women. Members shall serve for two years or until the expiration of their legislative terms; *except, in order to establish staggered membership terms for the citizen members, the governor shall appoint six citizens for three-year terms and six citizens for two-year terms starting July 1, 1981.* The compensation of non-legislator members, their removal from office and the filling of vacancies shall be as provided in section 15.059. The persons appointed by the governor shall be representative of a range of economic interests and vocations and shall include persons who are not regularly employed on a full-time or part-time basis outside their homes.

Sec. 372. Laws 1976, Chapter 337, Section 1, Subdivision 3, is amended to read:

Subd. 3. The council shall study all matters relating to the economic status of women in Minnesota, including ~~matters of credit, family support and inheritance laws relating to economic security of the homemaker, educational opportunities, career counseling, contribution of women to Minnesota's per capita and family income and state revenues, job and promotion opportunities~~ *economic security of homemakers and women in the labor force, opportunities for education and vocational training, employment opportunities, the contributions of women to the economy, their access to benefits and services provided to citizens of this state, and laws and business practices constituting barriers to the full participation by women in the economy.* In addition, the council shall study the adequacy of programs, ~~and services and facilities~~ relating to families in Minnesota, including single-parent families and members beyond the nuclear or immediate family.

Sec. 373. Laws 1976, Chapter 337, Section 1, Subdivision 4, as amended by Laws 1978, Chapter 793, Section 83, is amended to read:

Subd. 4. The council shall report its findings and recommendations to the governor and the legislature not later than December 15, ~~1977, of each even-numbered year and shall supplement its findings and recommendations not later than June 30, 1978 and June 30, 1981~~ *December 15 of each odd-numbered year.* The report shall recommend ~~any necessary changes in laws and programs~~ *legislation and administrative action* designed to enable women to achieve full participation in the economy. The report shall also recommend methods to encourage the development of coordinated, interdepartmental goals and objectives and the coordination of programs, services and facilities among all state departments and public and private providers of services related to children, youth and families.

Sec. 374. Laws 1978, Chapter 510, Section 2, is amended to read:

Sec. 2. [SPANISH-SPEAKING PEOPLE.]

For purposes of sections 3 to 8 7, the term "Spanish-speaking person" means a person who uses Spanish as a primary method of communication, or who is a spouse of a person who does.

Sec. 375. Laws 1978, Chapter 510, Section 5, is amended to read:

Sec. 5. [POWERS.]

The council shall have power to contract in its own name. Contracts shall be approved by a majority of the members of the council and executed by the chairperson and the executive director. The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the power and duties specified in sections 1 to 7.

The council shall appoint, subject to the approval of the governor, an executive director who shall be experienced in administrative activities and familiar with the problems and needs of Spanish-speaking people. The council may delegate to the executive director any powers and duties under sections 1 to 7 which do not require council approval. The executive director *and council staff* shall serve in the unclassified service ~~and~~. *The executive director* may be removed at any time by a majority vote of the entire council. The executive director shall recommend to the council the appropriate staffing patterns necessary to carry out its duties. The commissioner of administration shall provide the council with necessary ~~additional staff and~~ administrative services, and the council shall reimburse the commissioner for the cost of these services.

Sec. 376. [ADVISORY TASK FORCE ON INDEPENDENT LIVING.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "independent living programs and services" means any appropriate service or cluster of services that will maximize the ability of a handicapped individual to live independently or function within the family and community and, if appropriate, to secure and maintain appropriate employment.

Subd. 2. [MEMBERSHIP.] The advisory task force on independent living shall consist of the governor; the executive director of the council for the handicapped; the commissioners of economic security and public welfare; two members of the house of representatives appointed in the same manner as is customary in the case of members of standing committees of the house; two members of the senate appointed in the same manner as is customary in the case of members of standing committees of the senate; and seven advocates or disabled persons representing the areas of visual impairment, hearing impairment, mobility impairment, mental retardation, mental health, epilepsy and special learning disabilities, appointed to the task force by the chairperson of the council for the handicapped. The necessary administrative support shall be provided by the council for the handicapped. The executive director of the council for the handicapped shall chair the task force meetings.

Subd. 3. [DUTIES.] The task force shall study all existing and proposed independent living programs and services in order to ascertain how they may be better integrated or coordinated with each other and with community residential programs so that service gaps and duplications will be minimized and services will be equitably available to the various categories of disabilities. Programs and services to be studied shall include but need not be limited to: the division of vocational rehabilitation's independent living program, the department of public welfare's semi-independent living program, the regional service centers for the hearing impaired, and the mental health nonresidential community programs. The task force shall report its findings and recommendations to the governor and the legislature by December 31, 1981. The task force report shall:

(a) Describe each independent living program or service studied by the task force;

(b) Identify and describe any state plans, court decrees or interagency agreements relating directly to independent living programs or services;

(c) Identify current and potential funding resources for independent living programs and services and describe restrictions affecting the use of this funding;

(d) Identify significant service gaps that prevent independent living programs or services from achieving their full potential;

(e) Identify areas of service duplication;

(f) Identify inequities with regard to the availability of independent living programs and services available to the various categories of disabilities;

(g) Recommend specific improvements in integration or coordination that will minimize or eliminate identified service gaps, duplications, or inequities in independent living programs and that will foster closer cooperation with community residential services; and

(h) Recommend specific legislative, regulatory, or policy changes necessary to allow implementation of the recommended improvements.

Subd. 4. [EFFECTIVE DATE; REPEALER.] This section is effective the day following final enactment and is repealed January 1, 1982.

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections 3.86; 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 363.073, Subdivisions 1 and 2; 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 378. [REPEALER.]

Laws 1961, Chapter 66, Section 1, as amended by Laws 1971, Chapter 867, Section 1, and Laws 1977, Chapter 310, Section 17, are repealed. Laws 1976, Chapter 337, Section 4, as amended by Laws 1978, Chapter 793, Section 84; Laws 1978, Chapter 510, Section 10; Laws 1981, Chapter 151, Section 1, are repealed, effective the day following enactment.

Sec. 379. [EFFECTIVE DATE.]

Sections 280 and 283 are effective the day following final enactment. Sections 345 to 351 are effective January 1, 1982. Sections 281, 282, and 284 to 312 are effective for the license year commencing March 1, 1982 and thereafter."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative 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; creating, abolishing, modifying, and transferring agencies and functions; creating a department of energy, planning and development; transferring all the functions of the state planning agency, energy agency, and department

of economic development, and the staff of the crime control planning board, to the department of energy, planning and development; abolishing the state planning agency, energy agency, and department of economic development; creating an advisory committee on energy policy development; amending Minnesota Statutes 1980, Sections 3.3005, Subdivision 3; 3.304, by adding a subdivision; 3.922, Subdivision 1; 4.10; 4.11, Subdivisions 4, 5 and 8; 4.12; 4.125; 4.13; 4.17; 4.18, Subdivision 2; 4.191; 4.26, Subdivision 1; 4.27; 4.29; 4.35; 4.36, Subdivisions 2, 3, 4, and 5; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 15.01; 15.057; 15.50, Subdivision 2; 15A.081, Subdivision 1; 16.014, Subdivision 1; 16.084; 16.086, Subdivisions 1 and 2; 16.125, Subdivision 2; 16.756, Subdivision 1; 16A.123; 17.59, Subdivision 5, as amended; 17A.04, Subdivision 5; 17B.15; 18.023, Subdivision 11; 18.024, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 40.071; 43.09, Subdivision 2a; 43.46, Subdivisions 2 and 3; 60A.15, Subdivision 1; 84.028, Subdivision 2; 84.54; 85.016; 85.017; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 85A.04, Subdivision 1, and by adding a subdivision; 86.72, Subdivision 3; 86A.06; 86A.09, Subdivisions 1, 2, 3, and 4; 89.43; 92.35; 92.36; 92.37; 97.40, Subdivision 1; 97.482, Subdivision 1; 98.45, Subdivision 6; 98.46, Subdivisions 2 to 12, 14 to 19, and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 104.03, Subdivision 1; 104.35, Subdivisions 2 and 3; 105.484; 105.485, Subdivision 3; 114A.03, Subdivision 1; 115A.07, Subdivision 1; 115A.12, Subdivision 2; 115A.15, Subdivision 5; 116C.03, Subdivisions 2, 3, and 4; 116C.69, Subdivisions 2, 2a and 3; 116F.06, Subdivision 2; 116H.05; 116H.06; 116H.07; 116H.08; 116H.085; 116H.087; 116H.088, Subdivision 1; 116H.089; 116H.09, Subdivisions 1, 4, and 5; 116H.10; 116H.11; 116H.12, Subdivisions 1, 1b, 2, 4, 5, 6, and 9; 116H.121, Subdivisions 1 and 2; 116H.122; 116H.123; 116H.124; 116H.126; 116H.127; 116H.128; 116H.129, Subdivisions 1, 4, 5, 6, and 8; 116H.13; 116H.14; 116H.15, Subdivision 2; 116H.17; 116H.18; 116H.19, Subdivision 1; 116H.23; 120.78, Subdivision 1; 124.225, Subdivision 4a; 126.111, Subdivision 2; 137.31, Subdivision 6; 138.93, Subdivision 4; 139.16; 139.17, and by adding a subdivision; 139.18, Subdivisions 1, 3 and 4; 139.19, Subdivisions 3, 4, 5 and 6; 145.834; 145.835, Subdivision 1; 145.836, Subdivision 1; 145.837, Subdivision 1; 145.845; 145.912, Subdivision 15; 160.262, Subdivisions 1 and 3; 160.265, Subdivision 1; 174.03, Subdivision 7; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 204A.06, Subdivision 1b; 216B.241, Subdivision 2; 222.62; 222.65; 223.03, as amended; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 245.783, Subdivision 2; 268.014; 270.66; 271.02; 273.74, Subdivisions 2 and 5; 275.53, Subdivisions 1, 3, and 4; 284.28, Subdivision 8; 290.06, Subdivision 14; 290.431; 298.48, Subdivision 4; 299A.03, Subdivision 5; 299A.04; 300.49, Subdivision 1; 301.071, Subdivision 2; 301.75; 301.77, Subdivision 1; 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 322A.16; 322A.71; 325F.19, Subdivisions 3 and 6; 325F.20, Subdivision 1; 325F.21, Subdivision 2; 325F.23, Subdivision 1; 325F.24, Subdivision 3a; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 345.42, Subdivision 1; 345.53; 352E.04; 354.43, Subdivision 3; 355.06; 362.12, Subdivision 1; 362.13; 362.132; 362.40, Subdivisions 8, 9, and 10; 362.41, Subdivision 5; 362.42; 362.51, Subdivisions 8 and 10; 362A.06; 402.045; 402.062, Subdivision 1; 402.095; 451.09, Subdivision 2; 453.52, Subdivision 3; 462.375; 462.384, Subdivision 7; 462.385, Subdivisions 1 and 3; 462.386, Subdivision 1; 462.387; 462.39, Subdivisions 2 and 3; 462.391,

Subdivisions 2, 3, and 4; 462.395; 462.396, Subdivision 1; 462.398; 462.421, Subdivision 2; 462A.05, Subdivision 15b; 473.204, Subdivision 2; 473.411, Subdivision 1; 473.857, Subdivision 2; 473H.06, Subdivision 5; 474.01, Subdivisions 6, 7, and 8; 480.0595; 546.27; 611.23; 611.24; 611.26, Subdivisions 1 to 5; 638.08; 641.24; and 648.39; proposing new law coded as Minnesota Statutes, Chapter 116J; proposing new law coded in Minnesota Statutes, Chapters 85, 97, 116H, 270 and 611; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; repealing Minnesota Statutes 1980, Sections 3.86; 4.11, Subdivisions 1, 2, 3, 6, and 7; 4.15; 4.16; 7.07; 16.014, Subdivision 3; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 116H.001; 116H.02, Subdivisions 2 and 4; 116H.03; 116H.09, Subdivisions 2 and 3; 116H.12, Subdivision 3b; 126.52, Subdivision 12; 168B.11; 254A.06; 299A.03; 362.07; 362.08; 362.09; 362.10; 362.11; 362.12, Subdivisions 2 and 3; 362.15; 362.17; 362.18; 362.19; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 462.711; 473.556, Subdivision 15; 473.571, Subdivisions 2, 3, and 4; 480.053; 481.15, Subdivision 3; 483.01; 483.02; 648.45; 648.46; Laws 1961, Chapter 66, Section 1, as amended; Laws 1976, Chapter 337, Section 4, as amended; Laws 1977, Chapter 310, Section 17; Laws 1978, Chapter 510, Section 10; and Laws 1981, Chapter 151, Section 1."

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

House Conferees: (Signed) Phyllis L. Kahn, Michael R. Sieben, David P. Battaglia, Dean E. Johnson, Gary W. Laidig

Senate Conferees: (Signed) William P. Luther, Gerald L. Willet, Hubert H. Humphrey, III, Franklin J. Knoll, Robert O. Ashbach

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1443 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. Luther imposed a call of the Senate for the proceedings on H. F. No. 1443. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 1443 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 61 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Peterson, D.L.	Stokowski
Bang	Frank	Lantry	Peterson, R.W.	Stumpf
Belanger	Frederick	Lessard	Petty	Taylor
Berg	Frederickson	Lindgren	Pillsbury	Tennessee
Berglin	Hanson	Luther	Purfeerst	Ulland
Bernhagen	Hughes	Menning	Ramstad	Vega
Bertram	Humphrey	Moe, D.M.	Renneke	Waldorf
Brataas	Johnson	Moe, R.D.	Schmitz	Wegener
Dahl	Keefe	Nelson	Seizepfandt	Willet
Davies	Knoll	Olhoft	Sikorski	
Davis	Knutson	Pehler	Solon	
Dicklich	Kroening	Penny	Spear	
Dieterich	Kronebusch	Peterson, C.C.	Stern	

Messrs. Benson, Kamrath, Rued and Sieloff voted in the negative.

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

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 1:00 p.m. The motion prevailed.

The hour of 1:00 p.m. having arrived, the President called the Senate to order.

MEMBERS EXCUSED

Mr. Keefe was excused from the Session of today at 1:00 p.m. Mr. Merriam was excused from the Session of today from 9:00 a.m. to 12:15 p.m.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 1212 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1212

A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

May 15, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 1212, 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. 1212 be further amended as follows:

Page 2, delete lines 10 and 11 and insert "*liquor store unless the city council has first held a public hearing on the proposed transfer. Exceptions to the provisions of this section shall include funds for capital improvements, bonding costs and construction and repairs which can be amortized and paid from funds generated by the operation of the liquor store.*"

Page 2, line 14, after "*publish*" insert "*a balance sheet using generally accepted accounting procedures and*"

Amend the title as follows:

Page 1, line 5, after "*statement*" insert "*and balance sheet*"

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

Senate Conferees: (Signed) Charles R. Davis, James C. Pehler, Randolph W. Peterson

House Conferees: (Signed) John T. Clawson, Paul A. Ogren, William D. Dean

Mr. Davis moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1212 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. 1212 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 9, as follows:

Those who voted in the affirmative were:

Benson	Davies	Johnson	Luther	Schmitz
Berg	Davis	Kamrath	Moe, R. D.	Setzepfandt
Berglin	Dicklich	Kroening	Pehler	Spear
Bernhagen	Dieterich	Langseth	Peterson, D. L.	Stokowski
Bertram	Frank	Lantry	Peterson, R. W.	Tennessee
Brataas	Hanson	Lessard	Petty	Waldorf
Dahl	Humphrey	Lindgren	Ramstad	Willet

Those who voted in the negative were:

Hughes	Menning	Olhoft	Peterson, C. C.	Stumpf
Kronebusch	Merriam	Penny	Renneke	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 660 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 660

A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

May 12, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 660, 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. 660 be further

amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 238.08, Subdivision 5, is amended to read:

Subd. 5. Municipalities may by ordinance or resolution create a joint cable communications commission under section 471.59, to which each member municipality may delegate authority vested in the municipality by statute or charter to prepare, adopt, grant, administer, and enforce a cable communications franchise, and establish rates thereunder. The adoption, granting, administration and enforcement of a cable communications franchise, and the establishment of rates thereunder by a joint cable communications commission, pursuant to this subdivision is deemed to comply with procedural requirements of a statute or charter for the adoption, granting, administration and enforcement of a franchise, and establishment of rates. *A member of the commission may, by ordinance adopted in the manner provided by section 412.191, subdivision 4, adopt by reference the joint cable communication franchise in the manner provided by section 471.62.* The members and governing body of the joint commission shall consist of two representatives appointed by each municipality, at least one of whom shall be a member of the council of that municipality and the other a qualified voter residing within that municipality.

Sec. 2. Minnesota Statutes 1980, Section 375.58, Subdivision 3, is amended to read:

Subd. 3. At the option of the county board, the following positions may be excluded from the jurisdiction of the county personnel department:

(a) Any or all positions subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and ~~393.07, subdivision 5~~ 256.012;

(b) Positions designated as temporary or seasonal;

(c) Positions held by special deputies and volunteers serving without pay;

(d) Positions held by students in training.

Sec. 3. Minnesota Statutes 1980, Section 375.62, is amended to read:

375.62 [CIVIL SERVICE AND MERIT SYSTEM RELATIONSHIPS.]

Unless a county board has elected to exclude any or all positions otherwise subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and ~~393.07, subdivision 5~~ 256.012, from the jurisdiction of the personnel department, the provisions of sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and ~~393.07, subdivision 5~~ 256.012 and any rules and regulations promulgated pursuant to those sections shall be superseded insofar as they are inconsistent; provided that no positions subject to merit systems established pursuant to sections 12.22, subdivision 3; 144.071; and ~~393.07, subdivision 5~~ 256.012, shall be removed from existing merit system coverage and placed under a personnel department established pursuant to sections 375.56 to 375.71, until that personnel department is certified by the United States Civil Service Commission as meeting the operating standards of a merit system in accordance with the United States

office of personnel management's standards for a merit system of personnel administration. Nothing in section 387.43, shall be construed to prohibit the inclusion of sheriff's department personnel in a personnel system established pursuant to sections 375.56 to 375.69.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government, providing for adoption of certain joint cable franchises; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 238.08, Subdivision 5; 375.58, Subdivision 3; and 375.62."

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

Senate Conferees: (Signed) Robert J. Schmitz, Earl W. Renneke, Eric D. Petty

House Conferees: (Signed) Tom Rees, Lyndon R. Carlson, Dorothy I. Hokr

Mr. Schmitz moved that the foregoing recommendations and Conference Committee Report on S. F. No. 660 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. 660 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	Dicklich	Langseth	Olhoft	Setzepfandt
Benson	Dieterich	Lantry	Pehler	Sikorski
Berg	Frank	Lessard	Penny	Spear
Berglin	Hanson	Lindgren	Peterson, C. C.	Stokowski
Bernhagen	Hughes	Luther	Peterson, D. L.	Stumpf
Bertram	Humphrey	Menning	Peterson, R. W.	Tennessee
Brataas	Johnson	Merriam	Petty	Vega
Dahl	Kamrath	Moe, D. M.	Ramstad	Waldorf
Davies	Kroening	Moe, R. D.	Renneke	Willet
Davis	Kronebusch	Nelson	Schmitz	

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. 1190 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1190 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1190

A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

May 14, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1190, 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. 1190 be further amended as follows:

Page 2, after line 9, insert:

“Sec. 2. [375.056] [SEVEN-MEMBER BOARD.]

Any county with a population of 100,000 or more according to the last federal decennial census may by resolution of its county board provide for a seven-member board of county commissioners. A certified copy of the resolution of the county board of any county choosing to exercise this option shall be transmitted to the secretary of state, and the county commissioner districts shall be redistricted by the county board in accordance with section 375.025.”

Page 2, line 14, delete “*this act is*” and insert “*sections 1 and 3 are*”

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “providing for a seven-member board of commissioners in certain counties;”

Page 1, line 6, after the semicolon, insert “proposing new law coded in Minnesota Statutes, Chapter 375;”

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

House Conferees: (Signed) Joseph R. Begich, Walter R. Hanson, Al W. Wieser, Jr.

Senate Conferees: (Signed) Douglas J. Johnson, James C. Pehler, Duane D. Benson

Mr. Johnson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1190 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. 1190: A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; providing for a seven-member board of commissioners in certain counties; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 375; repealing Laws 1965, Chapter 843.

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:

Bang	Frank	Langseth	Pehler	Stokowski
Benson	Hanson	Lantry	Penny	Stumpf
Berg	Hughes	Lessard	Peterson, C.C.	Tenessen
Berglin	Humphrey	Luther	Petty	Vega
Bernhagen	Johnson	Menning	Ramstad	Waldorf
Brataas	Kamrath	Merriam	Renneke	Willet
Dahl	Knoll	Moe, D. M.	Schmitz	
Davis	Knutson	Moe, R. D.	Setzepfandt	
Dicklich	Kroening	Nelson	Sikorski	
Dieterich	Kronebusch	Olhoft	Spear	

Messrs. Bertram; Lindgren; Peterson, D.L. and Peterson, R.W. 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. 445 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 445

A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

May 13, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 445, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 445 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1974, Chapter 435, Section 3.12, is amended to read:

Sec. 3.12. [COURT HOUSE AND CITY HALL.] (a) [COURT HOUSE AND CITY HALL COMMITTEE ADMINISTRATION.]

(1) *Notwithstanding the provisions of Minnesota Statutes, Chapter 374, the Saint Paul city hall and Ramsey county court house building is in charge of a joint committee of seven members appointed as follows:*

(A) *the mayor of the city of Saint Paul is ex-officio a member of and the chairman of the committee;*

(B) *three members of the committee are appointed annually by the president of the Saint Paul city council from the members of the council, and three members are appointed annually by the chairman of the board of county commissioners from the members of the board.*

(2) *The committee has entire charge of the building and may appoint the janitor, custodian and other employees that it considers necessary for the proper care and management of the building and at the compensation that the committee determines.*

(3) *The expense of keeping the building in repair and the necessary expense of heating and maintaining it shall be paid equally by the city and county; one-half thereof out of the treasury of the city, and one-half out of the treasury of the county shall be administered and operated by the Ramsey county board of commissioners. The board shall set terms and conditions for the occupancy of the building by the city of Saint Paul, provided that Saint Paul shall be entitled to continued occupancy of the areas which it occupied as of January 1, 1981, unless both parties otherwise agree. The city of Saint Paul shall pay rent to Ramsey county in an amount equal to its proportional square foot exclusive usage or occupancy of the building, multiplied by the total expenses of maintaining, heating and operating the building. No later than April 1 of each year, the board of county commissioners shall determine the proportional square foot usage or occupancy of the city and county, respectively, and shall notify the city council of its rent, based upon the projected expenses for maintaining, heating and operating the building in the next year. Costs of improvements to exclusive space shall be borne by the occupant. Costs of improvements to nonexclusive space shall be shared and apportioned in the same manner as the annual rental payments. The rent shall be payable in equal monthly installments, and any shortfall or overpayment of rent, based upon actual expenses shall be paid by the city or refunded by the county by March 1 of the succeeding year.*

(b) [SATURDAY CLOSING.] (1) [AUTHORITY.] Ramsey county and the city of Saint Paul may jointly, by resolution adopted by both the board of commissioners and the city council, close the building containing the principal offices of the city and the county, known as the city hall and court house, on Saturday.

(2) [EFFECT OF CLOSING.] An act authorized, required or permitted by law or contract to be performed at or in the city hall and court house on Saturday may be performed on the next succeeding regular business day and no liability or loss of rights on the part of any person shall result from the closing.

(3) [OPEN, ADDITIONAL HOURS.] The city hall and court house may be kept open for the transaction of business on the next business day following each Saturday until 9:00 p.m.

(c) [ROOMS FOR LAW LIBRARY.] In Ramsey county, the ~~court house and city hall committee~~ board of county commissioners may provide rooms in the court house and city hall for the use of a law library and the ~~committee~~ board may install its library therein by purchase, leasing or securing it from an individual or association upon the terms and conditions that to it is for the interest of the people.

Sec. 2. Minnesota Statutes 1980, Section 260.019, Subdivision 3, is amended to read:

Subd. 3. The chief judge shall ~~not~~ designate any judge to hear cases arising under sections 260.011 to 260.301 as his principal or exclusive assignment for no more than ~~three~~ six years out of any ~~six~~ 12 year period.

Sec. 3. Minnesota Statutes 1980, Section 484.65, Subdivision 1, is amended to read:

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~~ six years. The judge appointed to this office shall be designated as the district court judge, family court division. No judge may be appointed to serve consecutive terms as the district court judge, family court division.

Sec. 4. [REPEALER.]

Laws 1980, Chapter 612, Section 5, is repealed.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 and 4 are effective for the county fiscal year beginning January 1, 1982 after the filing of local approval certificates pursuant to Minnesota Statutes, Section 645.021, Subdivision 3, by both the city council of the city of St. Paul and the board of county commissioners of Ramsey county.

Sections 2 and 3 shall become effective the day after final enactment and be applicable to incumbent juvenile court and family court judges."

Delete the title and insert:

"A bill for an act relating to local government; changing responsibilities for the administration of the Ramsey county court house and Saint Paul city hall building; authorizing appointment of district court judges to hear cases arising under the juvenile court act for terms up to six years; lengthening the term of the presiding judge of Hennepin County family court division; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.65, Subdivision 1; Laws 1974, Chapter 435, Section 3.12; and repealing Laws 1980, Chapter 612, Section 5."

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

Senate Conferées: (Signed) Robert J. Tennessen, Jack Davies, Peter P. Stumpf

House Conferées: (Signed) Kathleen A. Blatz, James I. Rice, Randy C.

Kelly

Mr. Tennesen moved that the foregoing recommendations and Conference Committee Report on S. F. No. 445 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. 445 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:

Ashbach	Frank	Lantry	Peterson, D.L.	Stern
Bang	Hanson	Lessard	Peterson, R.W.	Stokowski
Benson	Hughes	Lindgren	Petty	Stumpf
Berg	Humphrey	Luther	Pillsbury	Taylor
Bernhagen	Johnson	Menning	Ramstad	Tennesen
Bertram	Kamrath	Merriam	Renneke	Vega
Brataas	Knoll	Moe, D. M.	Rued	Waldorf
Dahl	Knutson	Moe, R. D.	Setzepfandt	Wegener
Davis	Kroening	Nelson	Sieloff	Willet
Dieterich	Kronebusch	Olhoft	Sikorski	
Engler	Langseth	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. 338 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 338

A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

May 15, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 338, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 338 be further amended as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 177.25, Subdivision 1, is amended to read:

Subdivision 1. No employer shall employ any of his employees for a work-

week longer than 48 hours, unless such employee receives compensation for his employment in excess of 48 hours in a workweek at a rate of not less than one and one-half times the regular rate at which he is employed; (1) provided, however, that an employer if it is the State of Minnesota or a political subdivision may grant time off at the rate of one and one-half hours for each hour worked in excess of 48 hours in any week in lieu of monetary compensation; and, (2) provided, however, that no employer shall be deemed to have violated the overtime pay provisions of this section by employing any employees for a workweek in excess of that specified in this section without paying the compensation for overtime employment prescribed herein (a) if ~~such~~ *the* employee is ~~so~~ employed under an agreement meeting the requirement of section 7 (b) (2) of the Fair Labor Standards Act of 1938, as amended, or (b) if the employee is employed as a sugarbeet hand laborer on a piece rate basis, provided that the regular rate of pay received per hour of work pursuant to applicable rules exceeds the applicable wage provided in section 177.24, subdivision 1, by at least 40 cents."

Renumber the sections in sequence

Page 2, line 23, delete "This act" and insert "Section 1 is effective the day following final enactment, except that the portion of clause (2) (b) relating to the regular rate of pay received per hour of work by a sugar beet hand laborer shall only be effective until December 31, 1981. Section 2"

Amend the title as follows:

Page 1, line 2, delete "public" and after the semicolon insert "regulating certain hours of work and rates of pay;"

Page 1, line 5, delete "Section" and insert "Sections 177.25, Subdivision 1; and"

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

Senate Conferees: (Signed) Tom A. Nelson, Charles A. Berg, Gerry Sikorski

House Conferees: (Signed) Leo J. Reding, Frank J. Rodriguez, Sr.

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on S. F. No. 338 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. 338 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:

Ashbach	Dieterich	Lantry	Petty	Stumpf
Bang	Engler	Lessard	Pillsbury	Taylor
Belanger	Frank	Lindgren	Purfeerst	Tennessee
Benson	Hanson	Luther	Ramstad	Ulland
Berg	Hughes	Menning	Renneke	Vega
Bernhagen	Humphrey	Merriam	Rued	Waldorf
Bertram	Kamrath	Moe, R. D.	Setzpfandt	Wegener
Brataas	Knoll	Nelson	Sieloff	Willet
Dahl	Knutson	Pehler	Sikorski	
Davies	Kroening	Penny	Spear	
Davis	Kronebusch	Peterson, D.L.	Stern	
Dicklich	Langseth	Peterson, R.W.	Stokowski	

Mr. Olhoft voted in the negative.

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. Moe, R. D. 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. 539: A bill for an act relating to family law; allowing joint custody of minor children; providing for acknowledgments of paternity; changing provisions related to venue; providing expedited hearings; changing determination of maintenance and support orders; changing the division of marital property; providing for enforcement of maintenance and support orders; changing requirements for evidence, orders, and decrees; adopting the revised uniform reciprocal enforcement of support act; amending Minnesota Statutes 1980, Sections 257.34, Subdivision 1; 518.003, by adding a subdivision; 518.09; 518.131, Subdivisions 3 and 4, and by adding subdivisions; 518.145; 518.17; 518.54, Subdivision 5; 518.551; 518.58; and 518.64, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41; 518.42; 518.43; 518.44; 518.45; 518.46; 518.47; 518.48; 518.49; 518.491; 518.50; 518.51; 518.52; and 518.53.

Senate File No. 539 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S. F. No. 539 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 539: A bill for an act relating to family law; allowing joint custody of minor children; providing for acknowledgments of paternity; changing pro-

visions related to venue; providing for disposition of certain marital property; providing for child support enforcement fees; amending Minnesota Statutes 1980, Sections 257.34, Subdivision 1; 518.003, by adding a subdivision; 518.09; 518.145; 518.17; 518.551; and 518.58.

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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lessard	Petty	Stokowski
Bang	Engler	Lindgren	Pillsbury	Stumpf
Belanger	Frank	Luther	Purfeerst	Taylor
Benson	Frederickson	Merriam	Ramstad	Ulland
Berg	Hanson	Moe, D. M.	Renneke	Vega
Bernhagen	Hughes	Moe, R. D.	Rued	Waldorf
Bertram	Humphrey	Nelson	Setzepfandt	Wegener
Brataas	Kamrath	Olhoft	Sieloff	Willet
Dahl	Knoll	Pehler	Sikorski	
Davies	Kroening	Penny	Solon	
Davis	Kronebusch	Peterson, D.L.	Spear	
Dicklich	Lantry	Peterson, R.W.	Stern	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate proceed to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

APPOINTMENTS

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

S. F. No. 818: Messrs. Peterson, C. C.; Lessard and Engler.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Mr. Moe, R. D. from the Committee on Rules and Administration moved to amend the Report from the Committee on Mileage appearing in the Senate Journal for January 29, 1981, as follows:

After "Johnson, Douglas J.460" insert "Kamrath, Randy P.350"

After "Nelson, Tom A.200" delete "Nichols, Jim406"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, C.C.	Stern
Bang	Frank	Lessard	Peterson, D.L.	Stokowski
Belanger	Frederickson	Lindgren	Peterson, R.W.	Stumpf
Benson	Hanson	Luther	Petty	Taylor
Bernhagen	Hughes	Menning	Pillsbury	Tennessee
Bertram	Humphrey	Merriam	Purfeerst	Ulland
Brataas	Kamrath	Moe, D. M.	Ramstad	Vega
Dahl	Knoll	Moe, R. D.	Renneke	Waldorf
Davis	Knutson	Nelson	Rued	Wegener
Davis	Kroening	Olhoff	Setzepfandt	Willet
Dicklich	Kronebusch	Pehler	Sikorski	
Dieterich	Langseth	Penny	Spear	

The motion prevailed. So the amendment was adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H. F. No. 1210 for comparison with 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.
				1210	1152

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, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Report adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1210 was read the second time.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1446 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1446 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1446

A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

May 15, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1446, 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. 1446 be further amended as follows:

Delete 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 “1982”, and “1983”, wherever used in this act, mean that the appropriation or appropriations listed thereunder shall be available for the year ending June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

	1982	1983	TOTAL
General	\$774,431,500	\$780,626,900	\$1,555,058,400
Trk. Hwy.	\$ 308,100	\$ 313,800	\$ 621,900

APPROPRIATIONS
Available for the Year
Ending June 30,
1982 1983
\$ \$

Sec. 2. COMMISSIONER OF
PUBLIC WELFARE

Subdivision 1. Total Department Appropriation	\$656,349,200	\$667,036,500
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	1982	1983
	\$	\$
Community Social Services Act		
\$43,077,700	\$43,398,000	

Effective January 1, 1983, the commissioner of public welfare shall include the remainder of the appropriations for the cost of care for mentally retarded, cost of care for emotionally disturbed, sharing life in the community, and mentally ill deinstitutionalization in the community social services act. The commissioner may transfer money between the fiscal years of the biennium for the purposes of funding the formula.

Notwithstanding the provisions of Minnesota Statutes, Chapter 256E, a county board may delegate to a county welfare board established pursuant to Minnesota Statutes, Chapter 393, authority to provide, or approve contracts for the purchase of, the kinds of community social services that were provided or contracted for by the county welfare boards prior to the enactment of Laws 1979, Chapter 324. Designation of the method for providing citizen participation in the planning process, final approval of the community social services plan and the distribution of community social services money shall be the responsibility of the county board.

Day Care	\$ 974,900	\$ 974,900
Cost of Care - Emotionally Disturbed	\$ 2,464,500	,464,500
Cost of Care - Mentally Retarded	\$ 6,265,600	\$ 6,265,600
Children under State Guardianship	\$ 1,092,300	\$ 1,092,300

State funds which would have been expended through the Aid to Families with Dependent Children-Foster Care or Children under State Guardianship accounts may be transferred to the subsidized adoption account, for those children entering the subsidized adoption program, if it can be shown on a case by case review basis that total state dollars will be reduced.

Aging, Blind, and Deaf Services	\$ 5,894,600	\$ 5,977,900
Social Services Support	\$ 1,169,400	\$ 1,174,800
Subd. 4. Income Maintenance	436,604,300	448,163,600

	1982	1983
	\$	\$

The amounts that may be expended from this appropriation for each activity are as follows:

Aid to Families with Dependent Children, Medical Assistance, Minnesota Supplemental Assistance	\$375,270,700	\$385,395,900
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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.

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.

In determining the amount of the aid to families with dependent children and general assistance grants, the commissioner of public welfare shall effect a seven percent increase on July 1, 1981 and a seven percent increase on July 1, 1982, unless federal statute or regulation require otherwise.

The moneys received under the state and local fiscal assistance act, known as general revenue sharing, shall be deposited in the medical assistance account and the state appropriation shall be reduced by a like amount.

The monthly payment for attendant care shall be adjusted to \$1,000 per month effective July 1, 1981, and shall be adjusted annually by the same percentage granted to other providers.

Upon executive order of the governor pursuant to section 15.0593, there is created a governor's advisory task force to explore means of providing publicly funded health services within the limits of funds authorized in the biennial budget for fiscal years 1982 and 1983. The task force chairperson and members shall be appointed by the governor. Insofar as possible, cooperation of the appropriate federal agencies shall be obtained. Existing staff resources of the depart-

1982

1983

\$

\$

ment of public welfare shall provide support to the task force.

The task force shall conduct a study of publicly funded health care programs and make specific recommendations to the governor regarding changes which are needed to limit expenditures to the amount authorized by the biennial budget for fiscal years 1982 and 1983. The report and subsequent recommendations of the governor shall be submitted to the legislature no later than January 15, 1982.

Before calculating any repayment due to the commissioner for rates effected for the biennium ending June 30, 1983, the commissioner shall allow the provider to reallocate costs for patient care allowed pursuant to Department of Public Welfare Rules 49 and 52. Expenditures for investment allowances, interest, depreciation, leases, and top management compensation shall not exceed the amount specified by the commissioner in the rate determination. Adjustments shall be made within the percentage limit set in this act.

General Assistance and General Assistance Medical Care

\$49,385,200 \$50,554,900

Income Maintenance Support

\$11,948,400 \$12,212,800

If the appropriation for aid to families with dependent children, medical assistance, Minnesota supplemental assistance, general assistance and general assistance medical care is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

Subd. 5. Mental Health 146,855,000 146,157,300

The commissioner of public welfare may fill up to 120 human services technician positions in the state hospitals in addition to the approved complement specified in this subdivision for the purpose of alleviating recruitment delays in direct patient care, as salary savings become available to fund the positions.

The commissioner of public welfare shall not reduce the number of human services technician positions in the state hospital system.

As the hospital population decreases, the supportive staff complement shall be reduced in

	1982	1983
	\$	\$

direct proportion.

The amounts that may be expended from this appropriation for each activity are as follows:

Program Offices

Mentally Ill	\$ 5,117,000	\$ 7,836,800
Mentally Retarded	\$ 1,733,400	\$ 2,512,700

The commissioner of public welfare may fund up to 200 families for the mentally retarded family subsidy program.

This appropriation contains \$12,000 each year for the brain-injured persons program. The commissioner of public welfare shall contract with an approved vendor to pay the costs of services provided to brain-injured persons. The commissioner shall contract with a neurosurgeon who is independent of the approved vendor to evaluate, initially and on or about March 1, 1982, each person for whom services are provided under this appropriation to ascertain the person's current stage of neurological development and prognosis for improvement. The neurosurgeon shall send a written report of each evaluation to the commissioner. For the purposes of this appropriation, "approved vendor" means the Institutes for the Achievement of Human Potential.

Chemically Dependent

	\$ 1,922,500	\$ 1,929,600
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Any federal money received in excess of the estimates shown in the 1981 budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

State Hospitals

Approved Complement -

By June 30, 1983 - 5485

Current Expense

\$14,449,000	\$15,450,300
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Salaries

\$107,955,500	\$104,662,100
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Repairs and Betterments

\$ 1,400,100	
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Special Equipment

\$ 521,700	
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1982

1983

\$

\$

Notwithstanding the provisions of Minnesota Statutes 1980, Sections 246.50 to 246.53, the commissioner of public welfare shall determine what part of the cost of care for state hospital treatment a patient or his relatives are able to pay. In no case, shall a patient or his relatives, unless they reside outside the state, be ordered to pay more than ten percent of the cost of care.

By July 1, 1981, the chemical dependency and surgical units at Rochester state hospital shall be closed. The remaining units at Rochester state hospital shall be closed no later than June 30, 1982. Best efforts shall be made by the department of administration to sell the buildings and adjoining land within one year from the date of closure, after the commissioner of public welfare has certified to the commissioner of administration pursuant to provisions of Minnesota Statutes, Section 94.09, Subdivision 2, that the state hospital campus is no longer needed by the department of public welfare. Notwithstanding any other law to the contrary, a portion or all of the buildings and the adjacent lands can be sold to anyone.

Prior to the closure date for each unit, the commissioner of public welfare shall arrange for the orderly transfer of all affected patients. The commissioner shall, to the extent possible, provide at least 60 days notice of transfer and allow patients and their parents, spouse or guardian, and the appropriate county agency input regarding the institution or community placement to which the patient is to be transferred.

Effective immediately, the commissioner of employee relations shall monitor the orderly reassignment of affected employees of the state hospital pursuant to authority vested in him by Minnesota Statutes, Section 246.60. The commissioners of public welfare and employee relations shall provide training or other assistance as necessary for employees to aid in this transition. Direct care positions shall be transferred to other state hospitals in the same proportion as patients are transferred. Early retirement shall be encouraged where possible, with full protection for retirement benefits. Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Rochester state hospital or other state employment shall be entitled to severance pay in the amount equal to five percent of the employee's base salary or wage, not to exceed \$500, multiplied by the

1982 1983
\$ \$

number of years of state service, but in no case shall the total amount exceed \$5,000.

Quarterly progress reports must be submitted by the commissioner of public welfare to the legislative advisory commission and must include information with respect to the following:

- (a) Employee negotiations;
- (b) Community placement of affected patients;
- (c) Admissions figures; and
- (d) Any other activities affecting closure.

Any savings in excess of the \$7,000,000 projected to result from the closure of the hospital may be directed by the commissioner of public welfare into funding for community facilities for mentally ill, chemically dependent, and mentally retarded persons.

Nursing Homes

Approved Complement -
By June 30, 1983 - 617

Current Expense		
\$ 1,710,700	\$ 1,888,200	
Salaries		
\$11,238,300	\$11,298,000	
Repairs and Betterments		
\$ 146,500		
Special Equipment		
\$ 68,300		

Mental Health Support
\$ 592,000 \$ 579,600

Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

The information for the budgets for the nursing homes and hospitals shall be submitted to the 1983 legislature on an individual institution basis.

Positions and administrative money may be transferred between the various activities within each subdivision in this section.

Work activity centers in state hospitals shall make available up to 25 percent of their capacity for community referrals. The community referrals will be funded by the division of vocational rehabilitation, will provide sheltered work and

	1982	1983
	\$	\$

work activity, and will be certified under Minnesota Statutes, Chapter 129A.

Sec. 3. COMMISSIONER OF ECONOMIC SECURITY

Total Department Appropriation	27,145,600	23,535,100
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The amounts that may be expended from this appropriation for each program are as follows:

The amounts shown in the program totals are reduced by \$300,300 the first year and \$312,000 the second year.

Job Service		
	\$ 3,924,100	\$ 3,924,100

The appropriation in job service for the summer youth program is available immediately to provide the same level of program for each summer of the biennium as was provided during the summer of 1980. If the appropriation for either year is insufficient, the appropriation from the other year is available for it.

Vocational Rehabilitation Services		
	\$11,764,300	\$12,819,500

Money received from workers' compensation carriers for services provided by the division of vocational rehabilitation for the benefit of injured workers shall be deposited in the accounts of the division of vocational rehabilitation and reported in the same ratio to state and federal money expended. If the deposits of the state's share 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 division of vocational rehabilitation by the amount of the excess. The federal share of these recoupments shall be deposited as required by federal law, regulation, and guideline.

The commissioner of economic security 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.

Any federal money received in excess of the estimates shown in the 1981 budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the

	1982	1983
	\$	\$

legislative advisory commission.

Training and Community Services	
\$11,757,500	\$ 7,103,500

Local delivery agencies for the weatherization program shall use a minimum of \$25,000 for administrative expenses. However, no more than 7.5 percent of the total state allocation shall be expended for administration of the weatherization program. The department shall provide supplemental administrative funds to compensate for administrative expense associated with the weatherization of rental property. Unexpended administrative funds, and all other state weatherization funds, may be used for labor, materials or repair of equipment, as necessary.

If federal funds are not made available for the Weatherization program, the appropriation for this program in the second year shall be available in the first year. This program is sunsetted when this appropriation expires.

Money appropriated for community action agencies shall be allocated annually under either clause (a) or (b), whichever is more advantageous to the agency.

If the appropriation is insufficient to fully fund each agency, the insufficiency shall be prorated annually among the agencies.

(a) In proportion to the size of the poverty level population served by the agency when compared to the size of the poverty level population in the state; or

(b) If the appropriation of funds for community action agencies shall be equal to or more than that available in fiscal years 1979 and 1980, there shall be in place a "hold-harmless" provision for the allocation of funds among community action agencies. "Hold-harmless" is the amount of funding received by a community action program under the Economic Opportunity Grant Program in the previous fiscal year.

"Poverty level population" means the number of people whose household income is below the poverty line established by the United States Department of Commerce, Bureau of the Census.

The appropriation for the displaced homemaker program includes funds for the purpose of making grants to programs to provide employment and support services to displaced homemakers.

	1982	1983
	\$	\$

This appropriation contains \$3,050,000 in fiscal year 1982 for fuel assistance, but it is not available unless it is required to match federal fuel assistance money. Any unexpended balance remaining in the first year from the \$3,050,000 shall not cancel, but shall be available for the second year.

Sec. 4. COMMISSIONER OF CORRECTIONS

Subdivision 1. Total Department Appropriation	64,165,500	63,736,500
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The amounts that may be expended from the appropriation for each program and activity are more specifically described in the following subdivisions of this section.

The amounts shown in the program totals are reduced by \$754,800 the first year and \$854,200 the second year.

Positions and administrative money may be transferred within the department of corrections as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

Subd. 2. Management Services	3,750,300	3,766,200
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The amounts that may be expended from this appropriation for each activity are as follows:

Subsidy Programs	
\$ 1,920,100	\$ 2,064,800

No new positions eligible for county probation reimbursement under this activity shall be added by any county without the written approval of the commissioner of corrections.

When new positions are approved, the commissioner shall include the cost of those positions in calculating each county's share.

On or before July 1 of each even numbered 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.

Support	
\$ 1,830,200	\$ 1,701,400

The Minnesota Corrections Board is abolished effective June 30, 1982.

\$100,000 is available for fiscal year 1983 to the

	1982	1983
commissioner of corrections to perform the responsibilities formerly assigned to the Minnesota Corrections Board.	\$	\$
Subd. 3. Policy and Planning	1,278,600	1,246,100
Subd. 4. Community Services	17,969,800	18,763,100

The amounts that may be expended from this appropriation for each activity are as follows:

Support

\$ 4,110,600 \$ 4,218,800

Community Corrections Act

\$11,339,500 \$12,176,000

In the Arrowhead region, no less than \$50,000 of the community corrections act subsidy shall be provided annually to the restitution program for women offenders by the counties participating in the act. These subsidy moneys shall be prorated among the participating counties on the basis of need or use as determined by the rules of the commissioner.

In Ramsey and Hennepin counties, no less than \$72,000 of the community corrections act subsidy shall be provided annually to Genesis II. These subsidy moneys shall be prorated among Hennepin and Ramsey counties on the basis of need or use as determined by the rules of the commissioner.

Notwithstanding the provisions of Minnesota Statutes, Chapter 401, no county or group of counties participating in the community corrections act shall be charged any per diem cost of confinement for adults sentenced to the commissioner of corrections for crimes committed on or after January 1, 1981.

Victim Services

\$ 2,519,700 \$ 2,368,300

The battered women task force is continued to June 30, 1983.

The commissioner of corrections may authorize the use of a percentage of a grant for the operation of an emergency shelter or make a separate grant for the rehabilitation of any facility owned by the grantee and used as a shelter to bring the facility into compliance with state and local laws pertaining to health, fire and safety and to provide security.

Subd. 5. Correctional Institutions

41,921,600 40,815,300

	1982	1983
	\$	\$
Current Expense		
\$ 8,216,300	\$ 8,367,400	
Salaries		
\$28,549,700	\$29,027,400	
Special Equipment		
\$ 593,000	\$ 182,400	
Repairs and Betterments		
\$ 537,700	\$ 577,500	
Industry		
\$ 1,500,000		

Any unexpended balances in special equipment, repairs and betterments, and industry remaining in the first year does not cancel but is available for the second year of the biennium.

The industries equipment purchased for Oak Park Heights Correctional Facility may be used in Stillwater Correctional Facility. The commissioner of corrections may transfer between facilities for this purpose. The commissioner of corrections is directed to phase down the farm machinery industry and redirect the industry program into light industry operations, and \$1,500,000 of this appropriation is available for that purpose. It is the intention of the legislature that lay-offs are to be avoided during this transition period.

The commissioner of corrections is authorized to enter into an agreement with the appropriate Wisconsin officials for services for Wisconsin corrections purposes. The contract shall be designed to prevent Minnesota from sustaining an operating cost loss. The governor shall submit the plan and contract to the appropriate chairpersons of the house and senate money committees prior to contract execution. Money received from Wisconsin pursuant to the contract is appropriated to the commissioner of corrections for the above purpose.

Health Care		
\$ 2,187,500	\$ 2,301,500	

Education		
\$ 337,400	\$ 359,100	

The commissioner of corrections is directed to open the Minnesota correctional facility - Oak Park Heights, by February 1, 1982. Forty new positions are provided, and \$300,000 is appropriated, for fiscal year 1982, and \$800,000 for the positions for fiscal year 1983. The commissioner may transfer the departmental personnel

and available fiscal resources necessary to open the Oak Park Heights facility. \$500,000 for purchase of medical and security supplies and equipment is appropriated to be available November 1, 1981.

Up to \$400,000 is available from the state institutions contingent account for supply and equipment items overlooked in the budget.

Supplies and equipment such as bedding, inmate clothing and other personal items are to be transferred from other institutions.

Sec. 5. SENTENCING GUIDELINES COMMISSION

	1982	1983
	\$	\$
Salaries, Supplies and Expense	191,000	119,600

Sec. 6. CORRECTIONS OMBUDSMAN

Salaries, Supplies and Expense	229,900	232,500
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Sec. 7. COMMISSIONER OF HEALTH

Total Department Appropriation	24,076,700	24,390,400
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The amounts that may be expended from this appropriation for each program are as follows:

The amounts shown in the program totals are reduced by \$256,900 the first year and \$270,200 the second year.

Positions and administrative money may be transferred within the department of health as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

Preventive and Personal Health

Services

\$ 8,240,300	\$ 8,465,700
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Of the above appropriation, up to \$25,000 shall be used to eliminate the threat to public health from arsenic contamination in an underground disposal site that has resulted in an incident of human poisoning within the last ten years. Such appropriation does not constitute acceptance of any liability on the part of the state.

Any unexpended balance appropriated by Laws 1979, Chapter 336, Section 7 in the program of preventive and personal health services for the purpose of wells, soil and chemical analysis, does not cancel, but is available until June 30, 1982.

Notwithstanding any law to the contrary, the fee

1982

1983

\$

\$

the commissioner of health charges for medical laboratory services may increase up to \$3.

Health Systems Quality Assurance
 \$ 1,864,200 \$ 1,888,600

Of this appropriation \$308,100 for fiscal year 1982 and \$313,800 for fiscal year 1983 are appropriated from the trunk highway fund for emergency medical services activities.

Notwithstanding the provisions of Minnesota Statutes, Sections 144A.10 and 144.653, the commissioner of health shall conduct inspections and reinspections of health facilities with a frequency and in a manner calculated to produce the greatest benefit to residents within the limits of the resources available to the commissioner. In performing this function, the commissioner may devote proportionately more resources to the inspection of those facilities in which conditions present the most serious concerns with respect to resident health, treatment, comfort, safety and well-being.

These conditions include but are not limited to: change in ownership; frequent change in administration in excess of normal turnover rates; complaints about care, safety, or rights; where previous inspections or reinspections have resulted in correction orders related to care, safety, or rights; and, where persons involved in ownership or administration of the facility have been indicted for alleged criminal activity. Any facility that has none of the above conditions or any other condition established by the commissioner that poses a risk to resident care, safety, or rights shall be inspected once every two years.

The commissioner of health shall require a fee of \$500 prior to undertaking a study of a human service occupation under the authority of Minnesota Statutes, Section 214.13. The fee shall be imposed on an applicant group at the time the application is filed with the commissioner. The fee shall be deposited to the general fund and if the application is accepted it is not refundable.

Health Support Services
 \$14,229,100 \$14,306,300

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 programs in this section.

The payments for the community health services

act for each county shall be based upon the formula in effect in fiscal year 1981, using the most recent factors. No county, city, group of cities or group of counties shall receive less than the amount received in 1981; however, this appropriation shall be prorated if the amount is insufficient.

If the appropriation for community health services or services to children with handicaps is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

Sec. 8. HEALTH RELATED BOARDS

	1982	1983
	\$	\$
Subdivision 1. Board of Chiropractic Examiners	51,800	53,300
Subd. 2. Board of Dentistry	220,600	228,800
Subd. 3. Board of Medical Examiners	325,500	338,700
Subd. 4. Board of Nursing	685,600	704,800
Subd. 5. Board of Examiners for Nursing Home Administrators	89,200	91,800
Notwithstanding the provision of Minnesota Statutes, Section 144A.04, Subdivision 5, for the biennium ending June 30, 1983, 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	40,200	42,200
Subd. 7. Board of Pharmacy	266,200	271,500
Subd. 8. Board of Podiatry	5,600	5,600
Subd. 9. Board of Psychology	89,100	94,400
Subd. 10. Board of Veterinary Medicine	57,900	59,000

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.

Neither this provision nor Minnesota Statutes, Section 214.06 shall apply to transfers from the general contingent account; provided the amount transferred does not exceed the amount of surplus revenue accumulated during the pre-

	1982	1983
	\$	\$
vious five years.		
Sec. 9. CONTINGENT FOR STATE INSTITUTIONS	750,000	

This appropriation shall be used for emergency purposes and for the purchase of food, clothing, drugs, utilities, 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 does not cancel but is 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, 1981, 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. 10. [RECEIPTS.]

For the biennium ending June 30, 1983, all funds, sums of money, or other resources provided or to be received as shown in the biennial budget document or in working papers of the two appropriations committees, 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 accredited to and become a part of the appropriations provided for in section 2, subdivisions 2, 3, and 4. Receipts in excess of those shown in the biennial budget are not available without the approval of the governor, after consultation with the legislative advisory commission.

Sec. 11. [PROVISIONS.]

For the biennium ending June 30, 1983, 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 with the approval of the governor after consultation with the legislative advisory commission.

Sec. 12. [TRANSFERS.]

Subdivision 1. For the biennium ending June 30, 1983, the commissioner of public welfare, the commissioner of corrections, the commissioner of economic security and the commissioner of health shall not transfer any money to or from personal 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.

Subd. 2. For the biennium ending June 30, 1983, the commissioners of public welfare, corrections, and health by direction of the governor after consulting with the legislative advisory commission may transfer unobligated appropriation balances and positions among all programs.

Sec. 13. [APPROVED COMPLEMENT.]

For the biennium ending June 30, 1983, the approved complements indicated in this act are fulltime equivalent positions and apply only to positions paid for with money appropriated by this act.

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. 14. [RULE PROMULGATION.]

For the biennium ending June 30, 1983, the commissioner of public welfare, the commissioner of economic security, the commissioner of corrections, the commissioner of health and the various health-related boards shall not promulgate nor implement any rules which will increase state expenditures by more than \$50,000 during the biennium without the review by, and approval of the governor, after consultation with the legislative advisory committee.

Sec. 15. [144.0742] [CONTRACTS FOR PROVISION OF PUBLIC HEALTH SERVICES.]

The commissioner of health is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed public health services by the department. The contracts shall specify the services to be provided and the amount and method of reimbursement therefor. Funds generated in a contractual agreement made pursuant to this section are appropriated to the department for purposes of providing the services specified in the contracts. All such contractual agreements shall be processed in accordance with the provisions of Minnesota Statutes, Section 16.098.

Sec. 16. Minnesota Statutes 1980, Section 241.021, is amended by adding subdivisions to read:

Subd. 4. [HEALTH CARE.] The commissioner of corrections shall provide professional health care to persons confined in institutions under the control of the commissioner of corrections and pay the 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 these health care services shall be deposited in the general fund.

Subd. 5. [SALES TO DEPARTMENT OF ADMINISTRATION.] July 1 of each year and quarterly thereafter, the commissioner of corrections shall notify the commissioner of administration of the articles, supplies, and services available from industrial activities conducted at state correctional institutions, and the commissioner of administration shall purchase from the state correctional institutions those articles, supplies, and services needed by state departments and agencies, unless the commissioner of corrections certifies that the correctional institutions cannot provide them at a price within five percent of the fair market price for comparable level of quality and within a reasonable delivery time. In determining the fair market price the commissioner of administration shall use competitive bidding or consider open market bid prices in previous years for similar products and services, plus inflationary increases.

Sec. 17. Minnesota Statutes 1980, Section 241.13, is amended to read:

241.13 [CONTINGENT FUNDS ACCOUNT; DAMAGE DEPOSITS; CORRECTIONAL INSTITUTIONS.]

Subdivision 1. [CONTINGENT FUNDS ACCOUNT.] The commissioner of corrections may permit a contingent fund account to remain in the hands of the accounting officer of any such institution from which expenditures may be made in case of actual emergency requiring immediate payment to prevent loss or danger to the institution or its inmates and for the purpose of paying freight, purchasing produce, livestock and other commodities requiring a cash settlement, and for the purpose of discounting bills incurred, but in all cases subject to revision by the commissioner of corrections. An itemized statement of every expenditure made during the month from such fund account shall be submitted to the commissioner under rules established by him. If necessary, the commissioner shall make proper requisition upon the commissioner of finance for a warrant upon the state treasurer to secure the contingent fund account for each institution.

Subd. 2. [DAMAGE DEPOSITS.] The commissioner of corrections shall collect a damage deposit from all staff who reside in housing on the grounds of the Thistledeew Corrections Camp at Togo, Minnesota and deposit the moneys in a savings account in a bank at interest. Withdrawals therefrom may be made to defray the cost of any damage to the residence caused by the tenant or to return the deposit to the tenant with accrued interest if the residence is vacated without damage. The commissioner shall keep accurate records in the name of each tenant so that the interest may be credited to the proper account.

Sec. 18. Minnesota Statutes 1980, Section 241.69, Subdivision 4, is amended to read:

Subd. 4. [COMMITMENT.] If the examining physician or psychologist finds the person to be mentally ill and in need of long term care in a hospital, or if an inmate transferred pursuant to subdivision 3 refuses to voluntarily participate in the treatment program at the psychiatric unit, the chief executive officer of the institution or other person in charge shall initiate proceedings for judicial commitment as provided in section 253A.07. Upon the recommendation of the physician or psychologist and upon completion of the hearing and consideration of the record, the court may commit the person to the psychiatric unit established in subdivision 1 or to another hospital. A person confined in a state correctional institution for adults who has 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 in subdivision 1.

Sec. 19. [245.74] [EQUALIZATION AID TO COUNTIES; OTHER AIDS.]

Subdivision 1. [FORMULA.] The commissioner of public welfare shall pay equalization aid to counties based upon the appropriation and a formula that includes four factors: recipient rate, per capita income, per capita taxable value, and per capita expenditures for welfare.

Subd. 2. [EXPENDITURES FOR WELFARE.] (a) For the purposes of equalization aid, "expenditures for welfare" include all forms of public assistance and the administrative costs thereof, to-wit: medical assistance, aid to families with dependent children, Minnesota supplemental aid, 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.

(b) Salary expenditures for computation of equalization aid shall not be included in county expenditures for welfare or for purposes of computing county per capita expenditures for welfare.

Subd. 3. [PAYMENT.] Initial payments for equalization aid to counties shall be made on or before October 1 each fiscal year. Final payments shall be made before January 1 of the following fiscal year.

Subd. 4. [TRANSFERS.] The commissioner shall not pay equalization aid to a county if it has transferred any money available for welfare purposes to any other county funds, except that where money is otherwise unavailable, a county may transfer money to the general revenue fund of the county for payment of rent of office space for the county welfare board. The county shall make the transfer only with the approval of the governor after consultation with the legislative advisory commission. Transfer of money to pay rent shall not be considered an expenditure for welfare for purposes of equalization aid reimbursement. Any federal money received in lieu of taxes because of federal grants shall be available for welfare purposes.

Subd. 5. [LIMIT.] A county shall not receive from state money paid for equalization aid an amount in excess of 75 percent of its expenditures for welfare as defined in subdivision 2.

Sec. 20. Minnesota Statutes 1980, Section 245.765, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of public welfare, to the extent that state and federal money is available therefor, shall reimburse any county for all welfare costs expended by the county to any Indian who is an enrolled member of the Red Lake Band of Chippewa Indians and resides upon the Red Lake Indian Reservation. The commissioner may advance payments to a county on an estimated basis subject to audit and adjustment at the end of each state fiscal year. Reimbursements shall be prorated if the state appropriation for this purpose is insufficient to provide full reimbursement.

Sec. 21. Minnesota Statutes 1980, Section 246.151, is amended to read:

246.151 [COMPENSATION PAID TO PATIENT.]

Subdivision 1. [COMPENSATION.] Notwithstanding any law to the contrary, the commissioner of public welfare is authorized to provide for the payment to patients or residents of state institutions under his management and

control of such pecuniary compensation as he may deem proper, the amount of compensation to depend upon the quality and character of the work performed as determined by the commissioner and the chief executive officer, but in no case less than 25 percent of the minimum wage established pursuant to section 177.24.

Subd. 2. [IMPREST CASH FUND.] The commissioner of public welfare may establish an imprest cash fund at each of the state operated residential facilities to be utilized for payment to residents participating in on-campus work programs.

Sec. 22. Minnesota Statutes 1980, Section 256B.15, is amended to read:

256B.15 [CLAIMS AGAINST ESTATES.]

If a person receives any medical assistance hereunder, on his death, if he is single, or on the death of ~~such~~ the person and his surviving spouse, if he is married, and only at a time when he has no surviving child who is under 21 or is blind or totally disabled, the total amount paid for medical assistance rendered for ~~such~~ the person, after age 65, without interest, shall be filed as a claim against the estate of ~~such~~ the person in the court having jurisdiction to probate the estate. ~~Such~~ The claim shall be considered an expense of last illness for the purpose of Minnesota Statutes 1965, Section 525.44. Any statute of limitations that purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder. *Counties may retain one half of the non-federal share of medical assistance collections from estates that are directly attributable to county effort.*

Sec. 23. [256D.42] [SUPPLEMENTAL AID; ADJUSTMENTS.]

Subdivision 1. [PERSONAL NEEDS ALLOWANCE.] Recipients of Minnesota supplemental aid 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.

Subd. 2. [COST OF LIVING.] The commissioner of public welfare shall adjust the benefits payable to the aged, blind and disabled recipients pursuant to 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.

Sec. 24. Minnesota Statutes 1980, Section 393.07, Subdivision 10, is amended to read:

Subd. 10. [FEDERAL FOOD STAMP PROGRAM.] The county welfare board shall establish and administer the food stamp program pursuant to rules of the commissioner of public welfare and federal regulations. The county welfare board shall participate in a food stamp quality control system subject to the supervision of the commissioner of public welfare and pursuant to federal regulations.

Any person who commits any of the following acts is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2), and (5):

(a) Obtains or attempts to obtain, or aids or abets any person to obtain by

means of a wilfully false statement or representation, or intentional concealment of a material fact, food stamps to which he is not entitled or in an amount greater than that to which he is entitled; or

(b) Presents or causes to be presented, coupons for payment or redemption knowing them to have been received, transferred or used in a manner contrary to existing state or federal law; or

(c) Willfully uses or transfers food stamp coupons or authorization to purchase cards in any manner contrary to existing state or federal law.

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. The amount of any food stamps determined to have been incorrectly issued, used, transferred or presented shall, unless otherwise determined by the county welfare board in order to prevent undue hardship, be recoverable from the recipient, or user, or his estate by the county as a debt due the county.

Sec. 25. Minnesota Statutes 1980, Section 401.04, is amended to read:

401.04 [ACQUISITION OF PROPERTY; SELECTION OF ADMINISTRATIVE STRUCTURE; EMPLOYEES.]

Any county or group of counties electing to come within the provisions of sections 401.01 to 401.16 may (a) acquire by any lawful means, including purchase, lease or transfer of custodial control, the lands, buildings and equipment necessary and incident to the accomplishment of the purposes of sections 401.01 to 401.16, (b) determine and establish the administrative structure best suited to the efficient administration and delivery of the correctional services described in section 401.01, and (c) employ a director and other officers, employees and agents as deemed necessary to carry out the provisions of sections 401.01 to 401.16. To the extent that participating counties shall assume and take over state correctional services presently provided in counties, employment shall be given to those state officers, employees and agents thus displaced; if hired by a county, employment shall, to the extent possible and notwithstanding the provisions of any other law or ordinance to the contrary, be deemed a transfer in grade with all of the benefits enjoyed by such officer, employee or agent while in the service of the state.

State employees displaced by county participation in the subsidy program provided by this chapter are on layoff status and, if not hired by a participating county as provided herein, may exercise their rights under layoff procedures established by law or union agreement whichever is applicable.

State officers and employees displaced by a county's participation in the community corrections act and hired by the participating county shall retain all fringe benefits and recall from layoff benefits accrued by seniority and enjoyed by them while in the service of the state.

Sec. 26. Minnesota Statutes 1980, Section 401.12, is amended to read:

401.12 [CONTINUATION OF CURRENT SPENDING LEVEL BY COUNTIES.]

Participating counties shall not diminish their current level of spending for

correctional expenses as defined in section 401.01, to the extent of any subsidy received pursuant to sections 401.01 to 401.16; rather the subsidy herein provided is for the expenditure for correctional purposes in excess of those funds currently being expended. Should a participating county be unable to expend the full amount of the subsidy to which it would be entitled in any one year under the provisions of sections 401.01 to 401.16, the commissioner shall retain the surplus, subject to disbursement in the following year wherein such county can demonstrate a need for and ability to expend same for the purposes provided in section 401.01. *If in any biennium the subsidy is increased by an inflationary adjustment which results in the county receiving more actual subsidy than it did in the previous calendar year, the county shall be eligible for that increase only if the current level of spending is increased by a percentage equal to that increase within the same biennium.*

ARTICLE II

INCOME MAINTENANCE PROGRAMS, REDUCTIONS AND COST CONTROLS

Section 1. [ALLOWABLE INCREASE IN COST PER SERVICE UNIT.]

For the biennium ending June 30, 1983, the annual increase in the cost per service unit paid to any vendor under medical assistance and general assistance medical care shall not exceed eight percent. The period for measuring growth shall be the state fiscal year.

Sec. 2. [LIMITATIONS ON FEES.]

Subdivision 1. All payments for vendors of medical care under medical assistance and general assistance medical care shall be limited to the 50th percentile of usual and customary fees based upon billings during calendar year 1978 for physician services, dental care, vision care, podiatric services, chiropractic care, mental health centers, psychologists, public health clinics, and independent laboratory and x-ray services.

Subd. 2. [GENERAL ASSISTANCE MEDICAL CARE.] (a) Notwithstanding the provisions of Minnesota Statutes, Sections 256D.01 to 256D.21 and 261.23, or any other law to the contrary, for the biennium ending June 30, 1983, state aid shall be paid to local agencies or counties for 90 percent of general assistance medical care paid by the local agency or county on behalf of persons eligible for general assistance or persons meeting the income and resource criteria established in the program for aid to families with dependent children. Nothing in this provision shall be construed to modify the spenddown required in appropriate cases for general assistance medical care. Reimbursement for medical care provided under Minnesota Statutes, Sections 256D.01 to 256D.21 or 261.23 shall be limited to the following categories of service only: inpatient hospital care, outpatient hospital care, prescription drugs, physician's services, medical transportation, and dental care. In addition, payments of state aid shall be made for medications prescribed for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) At the option of the county board and with the approval of the commissioner of public welfare, reimbursement for inpatient hospital care, outpatient hospital care, and prescription drugs may be limited to designated medical care providers.

(c) The commissioner of public welfare may reduce payments provided under Minnesota Statutes, Sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions: Reductions below the cost per service unit allowable under medical assistance pursuant to chapter 256B shall be permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent; and payments for the remaining general assistance medical care services allowable under this provision may be reduced no more than 25 percent.

(d) If the commissioner or county refuses to pay all or part of the charge for a health service, they shall not be liable for the unpaid portion of the charge. Any county may, from its own resources, provide medical payments for which state payments are not made.

Sec. 3. [LIMITATION ON INPATIENT CHEMICAL DEPENDENCY TREATMENT.]

The commissioner of public welfare shall limit medical assistance and general assistance medical care reimbursement for treatment of alcoholism, chemical dependency or drug addiction which is rendered in a licensed hospital or certified nursing home to 10 days unless need for extended care is certified by the attending physician.

Sec. 4. Minnesota Statutes 1980, Section 16.851, is amended by adding a subdivision to read:

Subd. 3. Nothing in the state building code shall require that each door entering a sleeping room from a corridor in a nursing home with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

Sec. 5. Minnesota Statutes 1980, Section 144A.08, is amended by adding a subdivision to read:

Subd. 1a. [CORRIDOR DOORS.] Nothing in the rules of the commissioner of health shall require that each door entering a sleeping room from a corridor in a nursing home with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

Sec. 6. Minnesota Statutes 1980, Section 145.913, is amended by adding a subdivision to read:

Subd. 1a. [MULTI-COUNTY BOARDS.] A county that elects to implement the provisions of the community health services act by organizing a multi-county board of health jointly with another county or counties under the provisions of section 471.59 may reserve and assign to a single county board of health organized under the provisions of section 145.913, subdivision 1, any powers and duties previously assigned by law to boards of health pursuant to section 145.01, and sections 145.47 to 145.55, any powers and duties previously assigned by law to public health nursing and home health services agencies pursuant to sections 145.08 to 145.125, and any discretionary authority of a board of health as provided in section 145.914.

Sec. 7. Minnesota Statutes 1980, Section 145.914, Subdivision 2, is amended to read:

Subd. 2. [POWERS.] In addition to any other powers assigned to a board of health by sections 145.911 to 145.921, the board of health for a county or city eligible for a subsidy under section 145.917 shall possess all the powers and duties now assigned by law to local boards of health pursuant to section 145.01, and to public health nursing and home health services agencies pursuant to sections 145.08 to 145.125, provided however that this subdivision shall not supersede or otherwise change the powers and duties of any city or township eligible for the subsidy under the provisions of section 145.917, or of any city of the first or second class with an existing program of community health services located within a county with a population of 300,000 or more persons until the city council of said city shall take action to allow the county to preempt the powers and duties of said city. Not later than 365 days after the approval of the community health services plan by the state commissioner of health, any county or city board, committee or commission having authorities or duties in any area designated in sections 145.911 to 145.921 other than the board of health designated and acting pursuant to sections 145.911 to 145.921 township, city, or county board of health organized under the provisions of section 145.01 and any public health nursing committee organized under the provisions of sections 145.08 to 145.125, shall cease its operation and no per diem or reimbursement of expenses shall be paid to any member of the board, committee, or commission; provided, however, that any city or township eligible for the subsidy under the provisions of section 145.917, and any city of the first or second class with an existing program of community health services located in a county with a population of 300,000 or more persons may continue operations and the payment of per diem and reimbursement of expenses.

Sec. 8. [145.97] [HILL-BURTON PROGRAM; RULES.]

The commissioner of health may promulgate temporary rules under section 15.0412, subdivision 5 to implement and enforce the provisions of 42 United States Code, Sections 291c(e), 291e(b)(3), 300s(3), 300s-1(b)(1)(K), or 300s-6, and the provisions of regulations promulgated by the United States secretary of health and human services pursuant to 42 United States Code, Sections 291c(e) or 300s(3), known as the Hill-Burton program. The commissioner shall maintain records on the number and nature of complaints received and any actions taken to implement or enforce the Hill-Burton laws and rules.

Sec. 9. [241.70] [PROGRAMS FOR WOMEN OFFENDERS.]

Subdivision 1. [TYPE OF PROGRAMS.] Adult women charged with or convicted of crimes shall be provided a range and quality of programming substantially equivalent to programming offered male persons charged with or convicted of crimes. Programs for women offenders shall be based upon the special needs of women offenders.

Subd. 2. [MODEL PROGRAMS.] Within the limits of money appropriated, the commissioner of corrections shall provide model programs for women offenders which respond to statewide needs and geographical areas and shall award grants for the programs. Listed in the order of importance, the programs shall:

- (a) Respond in a rehabilitative way to the type of offenses women offenders

generally commit:

- (b) Respond to the problems of women offenders with dependent children;
- (c) Respond to the importance of developing independent living skills;
- (d) Assist women offenders to overcome their own extreme degree of dependency;
- (e) Prepare to offer technical assistance and training toward the implementation of other similar programs when requested by local communities.

Subd. 3. [COUNTY PLANS.] Counties shall annually submit a plan to the commissioner of corrections for approval which provides for services to women offenders in their area and which incorporates criteria for model programs established by the commissioner. Counties may agree to cooperate in preparing a joint plan and may submit and administer their plan jointly.

Sec. 10. [241.71] [CREATION OF ADVISORY TASK FORCE.]

Within 60 days after the effective date of sections 9 to 12, the commissioner of corrections shall appoint an advisory task force on the woman offender in corrections. The task force shall have at least ten but no more than 20 members and shall reflect a statewide geographical representation. The provisions of Minnesota Statutes, Section 15.059, Subdivision 6, shall govern the terms, expenses, and removal of members of the advisory task force.

Sec. 11. [241.72] [PROGRAM FUNDING.]

Subdivision 1. [GRANTS IN AID.] To assist those counties that have existing programs for the woman offender, and to encourage counties to develop and implement programs, the commissioner of corrections, from funds appropriated for the purposes of sections 9 to 12, shall make grants in aid not to exceed 40 percent of the costs of the programs in those counties electing to participate in the grant program established by sections 9 to 12.

Subd. 2. [APPLICATIONS.] To qualify for the grants in aid provided under this section, those counties with existing programs and those counties that want to participate shall, by resolution of the county board, request that they be allowed to participate and submit a plan in accordance with the provisions of section 9, subdivision 3, and the rules of the commissioner.

Subd. 3. [MULTI-COUNTY PROGRAMS; LOCAL MATCHING FUNDS.] Where several counties combine to provide one or more of the programs under sections 9 to 12, the 60 percent local matching funds shall be borne proportionately by the participating counties on the basis of need or use as determined by the rules of the commissioner.

Sec. 12. [241.73] [DUTIES OF COMMISSIONER.]

The commissioner of corrections shall:

- (a) Review all county plans for model programs for women offenders;
- (b) Choose model programs and award grants for programs;
- (c) Appoint the members of the advisory task force created under section 10 and provide staff and other administrative services to the advisory task force;
- (d) Consult with the state advisory task force on the woman offender in

corrections before making a choice of the programs eligible for funding;

(e) Monitor the delivery of services sought under this act; and

(f) Establish by rule a method of determining the amount of contribution to be made by each county where two or more counties combine to provide one or more programs under sections 9 to 12.

Sec. 13. Minnesota Statutes 1980, Section 245.0313, is amended to read:

245.0313 [AID TO THE DISABLED; MENTALLY RETARDED.]

Notwithstanding any provision of law to the contrary, the cost of care not met by federal funds for any mentally retarded patient eligible for the medical assistance program or the supplemental security income for the aged, blind and disabled program in institutions under the control of the commissioner of public welfare shall be paid ~~for from state funds~~ by the state and county in the same proportion as provided in section 256B.19 for division of costs.

Sec. 14. [245.73] [GRANTS FOR RESIDENTIAL SERVICES FOR ADULT MENTALLY ILL PERSONS.]

Subdivision 1. [COMMISSIONER'S DUTY.] The commissioner shall establish a statewide program to assist counties in ensuring provision of services to adult mentally ill persons. The commissioner shall make grants to county boards to provide community based services to mentally ill persons through facilities licensed under sections 245.781 to 245.813.

Subd. 2. [APPLICATION; CRITERIA.] County boards may submit an application and budget for use of the money in the form specified by the commissioner. The commissioner shall make grants only to counties whose applications and budgets are approved by the commissioner. The commissioner shall give first priority to residential facilities for adult mentally ill persons operating as of July 1, 1980, to meet licensing requirements of the commissioner pursuant to sections 245.781 to 245.813. Funds shall not be used to supplant or reduce local, state, or federal expenditure levels supporting existing resources unless the reduction in available moneys is the result of a state or federal decision not to refund an existing program. State funds received by a county pursuant to this section shall be used only for direct service costs. Both direct service and other costs, including but not limited to renovation, construction or rent of buildings, purchase or lease of vehicles or equipment as required for licensure as a facility for adult mentally ill persons under sections 245.781 to 245.812, may be paid out of the matching funds required under subdivision 3 of this section. Neither the state funds nor the matching funds shall be used for room and board costs.

Subd. 3. [FORMULA.] Grants made pursuant to this section shall finance 75 percent of the county's costs of expanding or providing services for adult mentally ill persons in residential facilities as provided in subdivision 2.

Subd. 4. [RULES; REPORTS.] The commissioner shall promulgate a temporary and permanent rule to govern grant applications, approval of applications, allocation of grants, and maintenance of service and financial records by grant recipients. The commissioner shall require collection of data for compliance, monitoring and evaluation purposes and shall require periodic reports to demonstrate the effectiveness of the services in helping adult mentally ill persons remain and function in their own communities. The commis-

sioner shall report to the legislature no later than December 31 of each even-numbered year as to the effectiveness of this program and recommendations regarding continued funding.

Sec. 15. Minnesota Statutes 1980, Section 245.802, is amended by adding a subdivision to read:

Subd. 3. A residential facility that is federally certified as an intermediate care facility serving adult mentally ill persons on the effective date of this section shall not be denied a program license on the basis of any rule that requires physical plant specifications regarding the alteration of a certain number of beds and a certain number or size of living areas per treatment unit which would require the facility to alter its total number of beds.

Sec. 16. Minnesota Statutes 1980, Section 245.812, is amended by adding a subdivision to read:

Subd. 7. Residential facilities for adult mentally ill persons established on or before July 1, 1980, are exempt from the requirements of this section until July 1, 1984. The commissioner shall develop a mechanism for ensuring full compliance with this section by residential facilities for adult mentally ill persons by July 1, 1984.

Sec. 17. Minnesota Statutes 1980, Section 246.54, is amended to read:

246.54 [LIABILITY OF COUNTY; REIMBURSEMENT.]

The patient's county shall pay ~~annually~~ to the state of Minnesota ~~\$10 for each month or portion thereof the patient spends at a state hospital. Any portion of said amount actually received by the state of Minnesota from the patient and his relatives shall be credited to said county~~ a portion of the cost of care provided in a state hospital to a patient legally settled in that county. A county's payment shall be made from the county's own sources of revenue and payments shall be paid as follows: payments to the state from the county shall equal ten percent of the per capita rate, as determined by the commissioner, for each day, or the portion thereof, that the patient spends at a state hospital. If payments received by the state under sections 246.50 to 246.53 exceed 90 percent of the per capita rate, the county shall be responsible for paying the state only the remaining amount. The county shall not be entitled to reimbursement ~~therefor~~ from the patient, ~~his~~ the patient's estate, or ~~his~~ from the patient's relatives, except as provided in section 246.53. No such payments shall be made for any patient who was last committed prior to July 1, 1947.

Sec. 18. Minnesota Statutes 1980, Section 254A.03, is amended by adding a subdivision to read:

Subd. 3. The commissioner of public welfare shall establish criteria to be used in determining the appropriate level of chemical dependency care, whether outpatient, inpatient or short-term treatment programs, for each recipient of public assistance seeking treatment for alcohol or other drug dependency and abuse problems. The criteria shall address, at least, the family relationship, past treatment history, medical or physical problems, arrest record, and employment situation.

Sec. 19. Minnesota Statutes 1980, Section 256.73, Subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY.]

Except as provided in clause (3), 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 property other than the homestead, except as described in clause (3). *For the purposes of this section "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land; or*

(2) Personal property of a reasonable market value in excess of ~~\$600~~ \$400 for a one child recipient or ~~\$1,000~~ \$600 for more than one child recipient, exclusive of personal property used as the home, one automobile, insurance carried by a parent which does not exceed a cash surrender value of \$500, clothing and necessary household furniture and equipment, 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 of the commissioner of public welfare, and such property that produces a net income applicable to the family's needs.

(3) 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, *or the sale of which would net an insignificant amount of income applicable to the families or would cause undue hardship, as determined by the commissioner*, 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. 20. Minnesota Statutes 1980, Section 256.76, Subdivision 1, is amended to read:

Subdivision 1. Upon the completion of such investigation the county agency shall decide whether the child is eligible for assistance under the provisions of sections 256.72 to 256.87, determine the amount of such assistance, and the date on which such assistance shall begin. *The first month's grant shall be based upon that portion of the month from the date of application, or from the date that the applicant meets all eligibility factors, whichever occurs later, provided that on the date that assistance is first requested, the local agency shall inquire and determine whether the person requesting assistance is in immediate need of food, shelter, clothing, or other emergency assistance. If an emergency need is found to exist, the applicant shall be granted assistance pursuant to section 256.871 within a reasonable period of time.* It shall make a grant of assistance which shall be binding upon the county and be complied with by the county until such grant is modified or vacated. The county agency shall notify the applicant of its decision in writing. Such assistance shall be paid monthly to the applicant or to the vendor of medical care upon order of the county agency from funds appropriated to the county agency for this purpose. The county agency shall, upon the granting of assistance under these sections,

file an order on the form to be approved by the state agency with the auditor of the county and thereafter warrants shall be drawn and payments made only in accordance with this order to or for recipients of this assistance or in accordance with any subsequent order.

Sec. 21. Minnesota Statutes 1980, Section 256.87, is amended to read:

256.87 [CONTRIBUTION BY PARENTS; AMENDMENTS; REPEALS.]

Subdivision 1. [ACTIONS AGAINST PARENTS FOR ASSISTANCE FURNISHED.] ~~If At any time during the continuance of any assistance to a child granted under sections 256.72 to 256.87 the state agency or county agency finds that any parent of any child receiving assistance is reasonably able to contribute to the necessary care and support of the recipient without undue hardship to himself or his immediate family and the person so able to contribute to the care and support of the recipient fails or refuses to contribute according to his ability to the care and support of the recipient, then, after notice to the person, there shall exist a cause of action against this person a parent of a child is liable for the amount of assistance furnished under sections 256.72 to 256.87 subsequent to the notice, or any part thereof as the person during the two years immediately preceding the commencement of the action which the parent is reasonably able to pay. The action may be ordered by the state agency or county agency and shall be brought in the name of the county by the county attorney of the county in which the assistance was granted, or by the state agency against this person the parent for the recovery of the amount of assistance granted after the notice, as hereinbefore provided, together with the costs and disbursements of the action.~~

Subd. 1a. [CONTINUING CONTRIBUTIONS.] In addition to granting the county or state agency a money judgment, the court may, upon a motion or order to show cause, order continuing contributions by a person parent found able to reimburse the county or state agency. The order shall be effective only for the period of time during which the recipient receives public assistance from the county or state agency. An order for continuing contributions is reinstated without further hearing upon notice to the parent by the county or state agency that assistance is again being provided for the child of the parent under sections 256.72 to 256.87. The notice shall be in writing and shall indicate that the parent may request a hearing for modification of the amount of support or maintenance, the amount required to be paid, and the conditions under which income withholding can occur. In any order modifying the amount of support or maintenance, the court may, if appropriate, make the modification retroactive to the date of automatic reinstatement.

Subd. 2. [NOT TO BE VESTED RIGHT.] All assistance granted under those sections shall be deemed to be granted and to be held subject to the provisions of any amending or repealing act that may hereafter be passed and . No recipient shall have any claim for compensation, or otherwise, by reason of his assistance being affected in any way by any amending or repealing act.

Sec. 22. Minnesota Statutes 1980, Section 256.872, is amended to read:

256.872 [PERSONS OBLIGATED TO PAY FOR SUPPORT OF SPOUSE OR DEPENDENT CHILD, ORDER TO EMPLOYER TO WITHHOLD.]

Subdivision 1. [WITHHOLDING ORDER.] Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, has been

determined and ordered by a court of this state, the public agency responsible for child support enforcement may ~~petition~~ *move* and the district or county court ~~shall grant an order providing for the withholding of the amount of child support or maintenance as determined by court order, from the wages income, regardless of source of the person obligated to pay said the support or maintenance. This order may be granted upon a showing to the court that said required payments of support are not likely to be made to the persons entitled thereto when due. "Income" means any form of periodic payments to an individual, including, but not limited to, wages, salary, income as an independent contractor, workers' compensation, unemployment compensation, annuity, military and naval retirement, pension and disability payments.~~

Subd. 2. [CONDITIONS.] Each order for withholding shall provide for a conspicuous notice to the obligor that withholding may result if the obligor fails to make the maintenance or support payments, and that no withholding shall be made until the following conditions are met:

(a) The public agency responsible for child support enforcement determines that the obligor is at least 30 days in arrears;

(b) The agency serves written notice of its determination on the obligor at least 15 days before service of the determination and a copy of the court's order for withholding on the payor of funds;

(c) Within the 15 day period, the obligor has failed either to pay all arrearages or to move the court, under section 518.64, to modify the order respecting the amount of maintenance or support and, ex parte, to stay service on the payor of funds until the motion to modify is heard; and

(d) The agency serves a copy of its determination of delinquency and a copy of the court's withholding order on the payor of funds.

Subd. 3. [MODIFICATION ORDERS.] An order modifying the amount of maintenance or support, issued after the hearing on the motion to modify, shall provide that payments be made by withholding.

Sec. 23. Minnesota Statutes 1980, Section 256.873, is amended to read:

256.873 [EMPLOYER'S PAYOR'S DUTY; REMITTANCE OF AMOUNT WITHHELD.]

The court's order for withholding is binding on the payor of funds upon service of a copy of the agency's determination of delinquency and a copy of the court's order on the payor of funds.

The support or maintenance money shall be withheld by the ~~employer~~ *payor* of funds of ~~said~~ the person obligated to pay the support ~~and~~ or maintenance. The amount withheld shall be remitted monthly or more frequently to the public agency responsible for child support enforcement. Any amount so received in excess of the amount of public assistance expended for ~~said~~ child shall be ~~further~~ remitted to the person entitled ~~thereto~~ to it. No employer may discharge, suspend or otherwise penalize ~~any~~ an employee ~~by reason of the fact that because~~ the employer must withhold the support or maintenance money.

Sec. 24. Minnesota Statutes 1980, Section 256.875, is amended to read:

256.875 [INCLUSION IN DIVORCE DECREE.]

Nothing in sections 256.872 to 256.878 shall be construed to prevent the

~~petition motion~~ for withholding to be presented, and the order for withholding of support to be included in a final order or decree of ~~divorce dissolution~~ or legal separation or in a judgment or order determining parentage.

Sec. 25. Minnesota Statutes 1980, Section 256.877, is amended to read:

256.877 [MODIFICATION OR TERMINATION OF ORDER.]

When it shall ~~appear~~ *appears* that the circumstances of the parties have changed to an extent affecting the operation of this order, or it appears that the order is no longer needed or desirable, any interested party may ~~petition move~~ the court having granted ~~said~~ the order for an order modifying or terminating ~~the same~~ *it*.

Sec. 26. Minnesota Statutes 1980, 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 and services of intermediate care facilities. *Payment shall be made only for days on which the eligible individual is in the nursing home or facility.*
- (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~~ *No payments shall be made pursuant to this chapter directly to physical therapists, occupational therapists, speech pathologists and audiologists. Prescribed restorative therapy and specialized maintenance therapy which must be provided by physical therapists, occupational therapists, speech pathologists and audiologists in a nursing home, boarding care home or supervised living facility shall be included in the per diem rate of the facility. Specialized maintenance therapy which must be provided by a therapist shall not include ambulation, passive range of motion, transfer and activities of daily living, and teaching and follow-up which are considered nursing care services. Payments to medicare-certified rehabilitation agencies shall be limited to payments for physician services and prescribed restorative therapy provided by physical therapists, occupational therapists, speech pathologists and audiologists.*
- (8) Dental services, *excluding cast metal restorations.*
- (9) Laboratory and x-ray services.
- (10) The following if prescribed by a licensed practitioner: drugs, eye-glasses, dentures, and prosthetic devices. *The commissioner shall prescribe a drug formulary. Payments for prescribed drugs shall be limited as follows, unless prior authorization for exceptions is received from the commissioner: (a) One prescription per maintenance drug per month; and (b) Three prescriptions per month per recipient. "Drug formulary" means the list of drugs*

approved by the commissioner upon the advice of the drug formulary committee that are reimbursable under the state medical assistance program. Promulgation and publication of the formulary shall be exempt from the requirements of chapter 15. The formulary shall not include: (a) Drugs lacking FDA approval for safety and efficacy; (b) Over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under age 7; (c) Nutritional products; (d) Anorectics; and (e) Drugs for which medical value has not been established. The drug formulary committee shall review all drugs and advise the commissioner as to their inclusion or exclusion from the drug formulary. The formulary committee shall be comprised of one representative each of: the university of Minnesota's school of dentistry, school of medicine and college of pharmacy; the Minnesota medical association; the Minnesota state pharmaceutical association; the department of health, and the department of public welfare. The commissioner or his agent shall serve as secretary to the committee.

(11) Diagnostic, screening, and preventive services.

(12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.

(15) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.

(16) Any other medical or remedial care licensed and recognized under state law *unless otherwise prohibited by law.*

Sec. 27. Minnesota Statutes 1980, Section 256B.03, is amended to read:

256B.03 [PAYMENTS TO VENDORS.]

Subdivision 1. [GENERAL LIMIT.] All payments for medical assistance hereunder must be made to the vendor.

Subd. 2. [LIMIT ON ANNUAL INCREASE TO LONG-TERM CARE PROVIDERS.] Notwithstanding the provisions of sections 256B.42 to 256B.48 and rules promulgated under those sections, rates paid to a skilled nursing facility or an intermediate care facility, including boarding care facilities and supervised living facilities, except state owned and operated facilities, for the first rate year beginning during the biennium ending June 30, 1983, shall not exceed by more than eight percent the final rate allowed to the facility for the preceding rate year.

Notwithstanding provisions of Minnesota Statutes, Section 256B.45, Subdivision 1, the commissioner shall not increase the percentage for investment allowances.

Sec. 28. Minnesota Statutes 1980, Section 256B.06, Subdivision 1, is amended to read:

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 own real property other than the homestead. *For the purposes of this section, "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship; and*

(8) Who, ~~if single, individually does not have own more than \$2,000 in cash or liquid assets, plus \$150 for each additional legal dependent or, if married, whose cash or liquid assets do not exceed \$10,000, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$4,000 in cash or liquid assets, plus \$200 for each additional legal dependent, except that the value of the following shall not be included:~~

(a) the homestead, and (b) one ~~automobile~~ motor vehicle licensed pursuant to Minnesota Statutes, Chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, Subdivision 1e ~~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~~ husband 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 computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall disregard increases in income of social security or supplementary security income recipients due solely to increases required by sections 215(i) and 1617 of the social security act, and shall disregard income of disabled persons that is also disregarded in determining eligibility for supplemental aid under section 256D.37, subdivision 1, *unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver.* In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

(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, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by either spouse when one spouse is a nursing home resident; and

(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. 29. Minnesota Statutes 1980, Section 256B.091, is amended by adding a subdivision to read:

Subd. 8. [ALTERNATIVE CARE GRANTS.] The commissioner shall provide grants to counties participating in the program to pay costs of providing alternative care to individuals screened under subdivision 4. Payment is available under this subdivision only for individuals (1) for whom the screening team would recommend nursing home admission if alternative care were not available; (2) who are receiving medical assistance or who would be eligible for medical assistance within 90 days of admission to a nursing home; and (3) who need services that are not available at that time in the county through other public assistance.

Grants may be used for payment of costs of providing services such as, but not limited to, foster care for elderly persons, day care whether or not offered through a nursing home, nutritional counseling, or medical social services, which services are provided by a licensed health care provider, a home health service eligible for reimbursement under Titles XVIII and XIX of the federal Social Security Act, or by persons employed by or contracted with by the county board or the local welfare agency. The county agency shall ensure that a plan of care is established for each individual in accordance with subdivision 3, clause (e)(2). The plan shall include any services prescribed by the individual's attending physician as necessary and follow up services as necessary. The county agency shall provide documentation to the commissioner verifying that the individual's alternative care is not available at that time through any other public assistance or service program. Grants to counties under this subdivision are subject to audit by the commissioner for fiscal and utilization control.

The commissioner shall apply for a waiver for federal financial participation to expand the availability of services under this subdivision. The commissioner shall provide grants to counties from the non-federal share, unless the commissioner obtains a federal waiver for medical assistance payments, of medical assistance appropriations. The state expenditures for this section shall not exceed \$1,800,000 for the biennium ending June 30, 1983. A county agency may use grant money to supplement but not supplant services available through other public assistance or service programs and shall not use grant money to establish new programs for which public money is available through sources other than grants provided under this subdivision. Total payment of the costs of providing care under this subdivision shall not exceed 75 percent of the per diem payment for which each individual served would have been eligible if the individual had been admitted to a nursing home. The non-federal share may be used to pay up to 90 percent of the start-up and service delivery costs of providing care under this subdivision. Each county agency that receives a grant shall pay 10 percent of the costs.

The commissioner shall promulgate temporary rules in accordance with section 15.0412, subdivision 5, to establish required documentation and reporting of care delivered.

Sec. 30. Minnesota Statutes 1980, Section 256B.17, is amended to read:

256B.17 [TRANSFERS OF PROPERTY.]

Any person who has transferred any real or personal property within three years immediately preceding the date of application for medical assistance hereunder or who transfers any such property while receiving medical assistance hereunder without receiving a reasonable consideration therefor shall be presumed to have done so in order to become or remain eligible for medical assistance hereunder or to have deprived himself or his spouse of a resource that might otherwise have been used to meet his or their current needs. Such person shall have the burden of overcoming such presumption to the satisfaction of the county agency.

Subdivision 1. [TRANSFERS FOR LESS THAN MARKET VALUE.] In determining the resources of an individual and an eligible spouse, there shall be included any resource or interest therein which was given away or sold for less than fair market value within the 24 months preceding application for medical assistance or during the period of eligibility.

Subd. 2. [PRESUMPTION OF PURPOSE.] Any transaction described in subdivision 1 shall be presumed to have been for the purpose of establishing eligibility for benefits or assistance under this chapter unless the individual or eligible spouse furnishes convincing evidence to establish that the transaction was exclusively for another purpose.

Subd. 3. [RESOURCE VALUE.] For purposes of subdivision 1, the value of the resource or interest shall be the fair market value at the time it was sold or given away, less the amount of compensation received.

Subd. 4. [PERIOD OF INELIGIBILITY.] In any case where the uncompensated value of transferred resources exceeds \$12,000, the commissioner shall require a period of ineligibility which exceeds 24 months, provided that the period of ineligibility bears a reasonable relationship to the excess uncompensated value of the transferred asset.

Sec. 31. Minnesota Statutes 1980, Section 256D.01, Subdivision 1, is amended to read:

Subdivision 1. The objectives of sections 256D.01 to 256D.21 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal funds for public assistance purposes; and to provide an integrated public assistance program for all those persons in the state without adequate income or resources to maintain a subsistence reasonably compatible with decency and health meeting the eligibility criteria contained in this chapter.

It is hereby declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law and who meet the eligibility requirements of sections 256D.01 to 256D.21 shall be entitled to receive such grants general assistance and such services, within the time limits set forth in this chapter as may be necessary to maintain a subsistence reasonably compatible with decency and health. The furnishing of such assistance and services is a matter of public concern and a necessity in promoting the public health and welfare.

A principal objective in providing general assistance and services shall be to aid those persons who can be helped to become self-supporting or to attain

~~self-care provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve this these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard for cash payments to recipients shall be: as to shelter and utilities, 100 percent of the actual need or state standards therefor, subject to the maximum established for shelter in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973; and as to other budgetary items, 50 percent, of those established for said items in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order to maximize the use of federal funds, the commissioner shall promulgate regulations, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require the use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by regulation for the eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient. The strengthening and preservation of the family unit shall be a principal consideration in the administration of sections 256D.01 to 256D.21 and all general assistance policies shall be formulated and administered so as to further this objective.~~

Sec. 32. Minnesota Statutes 1980, Section 256D.02, Subdivision 4, is amended to read:

Subd. 4. "General assistance" means cash payments to persons unable to provide themselves with a reasonable subsistence compatible with decency and health and who are not otherwise provided for under the laws of this state or the United States. It shall include cash payments for goods, shelter, fuel, food, clothing, light, necessary household supplies, and personal need items. General assistance shall not include payments for foster care, child welfare services, or other social services. Vendor payments may be made only as provided for in sections section 256D.09 and 256D.11.

Sec. 33. Minnesota Statutes 1980, Section 256D.02, Subdivision 8, is amended to read:

Subd. 8. "Income" means ~~earned and unearned income reduced by any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The amount attributable to employment expenses shall include~~ amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

"Income" includes any payments received as an annuity, retirement, or disability benefit, including veteran's or workers' compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, interest and royalties; and support and maintenance payments except that such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless

that person is under a legal duty to support another family member. Goods and services provided in lieu of cash payment shall be excluded from the definition of income.

Sec. 34. Minnesota Statutes 1980, Section 256D.03, Subdivision 2, is amended to read:

Subd. 2. After December 31, ~~1979~~ 1980, and before January 1, 1981, state aid shall be paid to local agencies for 60 percent and, after December 31, 1980, for 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1, and according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance: (a) at a standard higher than that established by the commissioner without reference to the standards of section 256D.01, subdivision 1; or, (b) to persons not meeting the eligibility standards set forth in section 256D.05, subdivision 2, but for whom the aid would further the purposes established in the general assistance program in accordance with rules promulgated by the commissioner pursuant to the administrative procedure act.

Sec. 35. Minnesota Statutes 1980, Section 256D.04, is amended to read:

256D.04 [DUTIES OF THE COMMISSIONER.]

In addition to any other duties imposed by law, the commissioner shall:

(1) Supervise the administration of general assistance and general assistance medical care by local agencies as provided in sections 256D.01 to 256D.21;

(2) Promulgate uniform rules consistent with law for carrying out and enforcing the provisions of sections 256D.01 to 256D.21 to the end that general assistance may be administered as uniformly as possible throughout the state; rules shall be furnished immediately to all local agencies and other interested persons; in promulgating rules, the provisions of sections 15.041 to 15.052, shall apply;

(3) Allocate moneys appropriated for general assistance and general assistance medical care to local agencies as provided in section 256D.03, subdivisions 2 and 3;

(4) Accept and supervise the disbursement of any funds that may be provided by the federal government or from other sources for use in this state for general assistance and general assistance medical care;

(5) Cooperate with other agencies including any agency of the United States or of another state in all matters concerning the powers and duties of the commissioner under sections 256D.01 to 256D.21;

(6) Cooperate to the fullest extent with other public agencies empowered by law to provide vocational training, rehabilitation, or similar services; and

(7) Gather and study current information and report at least annually to the governor and legislature on the nature and need for general assistance and general assistance medical care, the amounts expended under the supervision of each local agency, and the activities of each local agency and publish such reports for the information of the public;

(8) Report at least annually to the governor and legislature the cost of living in the various counties and metropolitan areas as related to the standards of

assistance and the amounts expended for assistance, and make this information available to the public; and

(9) Issue emergency rules necessary to implement the work equity program and promulgate all rules pursuant to chapter 15 necessary to carry out the program so that its demonstrational project may be administered uniformly throughout participating counties. Rules shall be furnished immediately to all local agencies and other interested persons.

Sec. 36. Minnesota Statutes 1980, Section 256D.05, Subdivision 1, is amended to read:

Subdivision 1. [STANDARDS.] Each person or family whose income and resources are less than the standard of assistance established by the commissioner, and who is not eligible for the federally aided assistance programs of emergency assistance or aid to families with dependent children, or any successor to those programs, shall be eligible for and entitled to general assistance; provided that no individual shall be eligible for general assistance if he is eligible for any of the following federally aided assistance programs: emergency assistance, aid to families with dependent children, or any successor to the above if the person or family is:

(a) A person suffering from an illness, injury, or incapacity which is both medically certified and prevents the individual from engaging in suitable employment, if a plan for rehabilitation approved by the local agency through its director or designated representative is being followed when the situation is certified as temporary;

(b) A person whose presence in the home on a substantially continuous basis is required because of the certified illness or incapacity of another member of the household;

(c) A person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, if the placement is based on illness or incapacity, and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) A person who resides in a shelter facility described in subdivision 3;

(e) A person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40. In determining eligibility of the person for general assistance, income received as a stipend shall be disregarded as provided in section 4.40;

(f) A person who is unable to secure suitable employment due to inability to communicate in the English language, and who, if assigned to a language skills program by the local agency, is participating in that program;

(g) A person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally ill; or

(h) A person who is unable to secure suitable employment due to a lack of marketable skills as determined by the local agency, and who, if assigned to a vocational counseling, vocational rehabilitation, or work training program by the local agency, is participating in that program. Eligibility for general assistance under clause (h) of this paragraph is limited to five weeks per calendar year.

Sec. 37. Minnesota Statutes 1980, Section 256D.06, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of subdivision 1, a grant of general assistance shall be made to an eligible individual or family for an emergency need, as defined in rules promulgated by the commissioner, where the applicant or recipient requests temporary assistance not exceeding 30 days if an emergency situation appears to exist and the individual is ineligible for the federally aided program of emergency assistance under aid to families with dependent children and is not a recipient of aid to families with dependent children at the time of application hereunder. If an applicant or a recipient relates facts to the local agency which may be sufficient to constitute an emergency situation, the local agency shall advise the applicant or recipient of the procedure for applying for assistance pursuant to this subdivision.

Sec. 38. Minnesota Statutes 1980, Section 256D.06, is amended by adding subdivisions to read:

Subd. 4. When a general assistance grant is used to pay a negotiated rate for a recipient living in a licensed or certified facility, the rate payable hereunder to that facility shall be no more than that paid by an individual not receiving general assistance.

Subd. 5. [INTERIM ASSISTANCE.] Any applicant, otherwise eligible for general assistance and possibly eligible for maintenance benefits from any other source shall be obligated to (a) make application for those benefits within 30 days of the general assistance application; and (b) execute an interim assistance authorization agreement on a form as directed by the commissioner. If found eligible for benefits from other sources, and a payment received from another source relates to the period during which general assistance was also being received, the recipient shall be required to reimburse the local agency for the interim assistance paid. Reimbursement shall not exceed the amount of general assistance paid during the time period to which the other maintenance benefits apply and shall not exceed the state standard applicable to that time period. This provision shall not require repayment of per diem payments made to shelters for battered women pursuant to section 256D.05, subdivision 3.

Sec. 39. Minnesota Statutes 1980, Section 256D.14, is amended to read:

256D.14 [VIOLATIONS.]

Whoever obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, or by the intentional withholding or concealment of a material fact, or by impersonation, or other fraudulent device:

- (1) Assistance to which he is not entitled; or
- (2) Assistance greater than that to which he is reasonably entitled;

shall be considered to have violated section 256.98, and shall be subject to both the criminal and civil penalties provided therein.

Sec. 40. [257.021] [DUTY OF STEPPARENT TO SUPPORT STEPCHILD.]

Subdivision 1. [IN GENERAL.] Notwithstanding section 257.02, a stepparent shall be legally obligated to support a stepchild living in the same

household to the same extent that a natural or adoptive parent is required to support a child, unless, in a particular case, a court of competent jurisdiction determines that undue hardship would result because the stepparent is bound by court order to support children of a previous union. The natural or adoptive parent shall retain the primary support obligation.

Subd. 2. [MARRIAGE TERMINATION.] Termination of marriage between the stepparent and the stepchild's natural or adoptive parent shall terminate the support obligation described in subdivision 1.

Subd. 3. [SUPPORT ENFORCEMENT.] A stepparent may recover support for a stepchild from the natural or adoptive parent under the same conditions as any other obligee.

Subd. 4. [DEFINITIONS.] "Stepparent" means a person ceremonially married to a child's natural or adoptive parent who is not the child's natural or adoptive parent, or a person who is living with a natural or adoptive parent as a common law spouse, whose common law marriage was entered into in a state which recognizes the validity of common law marriages.

"Stepchild" means a child with a stepparent.

Subd. 5. [LIMITATIONS.] This section shall not be construed to affect custody determinations or any parental duty other than the duty to support the stepchild.

Sec. 41. Minnesota Statutes 1980, Section 357.021, Subdivision 2, is amended to read:

Subd. 2. The fees to be charged and collected by the clerk of district court shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper on his part is filed in said action, a fee of \$20, *except that in an action for marriage dissolution, a fee of \$35.*

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper on his or their part is filed in said action, a fee of \$15.

The party requesting a trial by jury shall pay \$15.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 106, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding \$5 and \$3.50 for an uncertified copy.

(3) Issuing a subpoena \$1 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript

of judgment from another court, \$5.

(6) Filing and entering a satisfaction of judgment, partial satisfaction or assignment of judgment, \$5.

(7) Certificate as to existence or non-existence of judgments docketed, \$1 for each name certified to and \$1 for each judgment certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) All other services required by law for which no fee is provided such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Sec. 42. Minnesota Statutes 1980, Section 357.021, is amended by adding a subdivision to read:

Subd. 2a. Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$15 to the state treasurer to be deposited in the general fund for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 43. Minnesota Statutes 1980, Section 517.08, Subdivision 1b, is amended to read:

Subd. 1b. The clerk shall examine upon oath the party applying for a license relative to the legality of the contemplated marriage. If at the expiration of a five-day period, he is satisfied that there is no legal impediment to it, he shall issue the 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. The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, a judge of the county court or a 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 ~~\$15~~ \$30 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 the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the clerk for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A clerk who knowingly issues or signs a marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

Sec. 44. Minnesota Statutes 1980, Section 517.08, is amended by adding a subdivision to read:

Subd. 1c. [DISPOSITION OF LICENSE FEE.] Of the marriage license fee

collected pursuant to subdivision 1b, the clerk shall pay \$15 to the state treasurer to be deposited in the general fund for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 45. Minnesota Statutes 1980, Section 518.54, is amended by adding subdivisions to read:

Subd. 6. [INCOME.] "Income" means any form of periodic payment to an individual including, but not limited to, wages, salaries, payments to an independent contractor, workers' compensation, unemployment compensation, annuity, military and naval retirement, pension and disability payments.

Subd. 7. [OBLIGEE.] "Obligee" means a person to whom payments for maintenance or support are owed.

Subd. 8. [OBLIGOR.] "Obligor" means a person obligated to pay maintenance or support.

Subd. 9. [PUBLIC AUTHORITY.] "Public authority" means the public authority responsible for child support enforcement.

Sec. 46. Minnesota Statutes 1980, Section 518.551, is amended to read:

518.551 [MAINTENANCE AND SUPPORT PAYMENTS MADE TO WELFARE AGENCIES.]

Subdivision 1. [ORDER.] A court having jurisdiction over proceedings for dissolution or, legal separation or determination of parentage shall direct that all payments ordered for maintenance and support shall be made to the agency responsible for the welfare payments, when it appears that the party who is to receive the maintenance and support payments will receive public authority so long as the obligee is receiving or has applied for public assistance. Amounts received by the agency public authority greater than the amount granted to the party receiving public assistance obligee shall be remitted to that party the obligee.

Each order shall provide that the obligor's employer, trustee, or other payor of funds shall withhold from the obligor's income, regardless of source, an amount equal to the court's order for support or maintenance.

Subd. 2. [NOTICE OF CONDITIONS.] Each order for withholding shall provide for a conspicuous notice to the obligor that withholding may result if the obligor fails to make maintenance or support payments, and that no withholding shall be made until the following conditions are met:

(a) The public authority determines that the obligor is at least 30 days in arrears;

(b) The public authority serves written notice of its determination of arrearage on the obligor at least 15 days before service of the determination and a copy of the court's order for withholding on the payor of funds;

(c) Within the 15 day period, the obligor has failed either to pay all arrearages or to move the court, under section 518.64, to modify the order

respecting the amount of maintenance or support and, ex parte, to stay service on the payor of funds until the motion to modify is heard; and

(d) The public authority serves a copy of its determination of arrearage and a copy of the court's withholding order on the payor of funds.

Subd. 3. [MODIFICATION ORDERS.] An order modifying the amount of maintenance or support, issued after the hearing on the motion to modify, shall provide that payments be made by withholding.

Subd. 4. [ORDER BECOMES BINDING.] The order is binding on the employer, trustee or other payor of funds upon service upon him of a copy of the determination of arrearage and a copy of the court withholding order.

Subd. 5. [NOTICE TO PUBLIC AUTHORITY.] The petitioner shall notify the agency responsible for the welfare payments public authority of all proceedings for dissolution, legal separation, determination of parentage or for the custody of a child, if either party is receiving aid to families of dependent children or applies for such aid it subsequent to the commencement of the proceeding. After receipt of the notice, the agency public authority shall recommend to the court the support that is proper and adequate for the care and support of the child or children before the issuance of the order for judgment and decree in the proceeding.

Subd. 6. [FAILURE OF NOTICE.] If the court finds in a dissolution or, legal separation or determination of parentage proceeding, finds before issuing the order for judgment and decree, that notification has not been given to the agency responsible for the welfare payments public authority, the court shall order that notification be made and shall not issue its order for judgment and decree until the agency public authority has made its recommendations. In those proceedings in which no notification has been made pursuant to this section and in which the agency public authority determines that the judgment is not proper and adequate for the care and support of the child or children, it may petition move the court for a redetermination of the support payments ordered.

Sec. 47. Minnesota Statutes 1980, Section 518.611, is amended to read:

518.611 [ASSIGNMENTS.]

Subdivision 1. [ORDER TO WITHHOLD INCOME.] If the person obligated to pay support or maintenance fails to make a required payment, and is given a reasonable opportunity by the court to allege hardship or that the payment has been made, the other party The obligee or the public authority responsible for support enforcement may, after 30 days, at any time move the court to order, and the court, unless hardship is shown, shall order the employer or, trustee or other payor of funds to withhold from the obligor's periodic earnings or trust income, regardless of source, an amount equal to the court's order for support or maintenance.

Subd. 2. [NOTICE TO OBLIGOR OF CONDITIONS.] Each order for withholding shall provide for a conspicuous notice to the obligor that withholding may result if the obligor fails to make the maintenance or support payments, and that no withholding shall be made until the following conditions are met:

(a) The obligee or the public authority determines that the obligor is at least

30 days in arrears;

(b) *The obligee or the public authority serves written notice of its determination of arrearage on the obligor at least 15 days before service of the determination and a copy of the court's order for withholding on the payor of funds;*

(c) *Within the 15 day period, the obligor has either failed to pay all arrearages or to move the court, under section 518.64, to modify the order respecting the amount of maintenance or support and, ex parte, to stay service on the payor of funds until the motion to modify is heard; and*

(d) *The obligee or the public authority serves a copy of the determination of arrearage and a copy of the court's withholding order on the payor of funds.*

(e) *The obligee shall also serve on the public authority a copy of the determination of arrearage, a copy of the court's withholding order and an application to use the public authority's collection services.*

Subd. 3. [MODIFICATION ORDERS.] An order modifying the amount of maintenance or support, issued after the hearing on the motion to modify, shall provide that payments be made by withholding.

Subd. 4. [EFFECT OF ORDER.] The assignment order is binding on the employer, trustee, or other payor of the funds upon service upon him of notice that it has been made. The payor shall withhold from the earnings or trust income payable to the person obligated to pay support or maintenance obligor the amount specified in the assignment order and shall monthly or more frequently remit the amounts withheld to the other party or, in the case of a public assistance recipient, to the public agency responsible for support enforcement authority. Amounts received by the public authority responsible for support enforcement which are in excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge or otherwise discipline an employee as a result of a wage or salary assignment authorized by this section.

Sec. 48. Minnesota Statutes 1980, Section 518.64, Subdivision 1, is amended to read:

Subdivision 1. After an order for maintenance or support money, temporary or permanent, or for the appointment of trustees to receive property awarded as maintenance or support money, the court may from time to time, on petition of either of the parties or on petition of the public authority responsible for support enforcement where the party entitled to support or maintenance receives or has applied for public assistance, modify the order respecting the amount of maintenance or support money, and the payment of it, and also respecting the appropriation and payment of the principal and income of property held in trust, and may make an order respecting these matters which it might have made in the original proceeding, except as herein otherwise provided.

Sec. 49. Minnesota Statutes 1980, Section 518.64, is amended by adding a subdivision to read:

Subd. 5. [FORM.] The department of public welfare shall prepare and make available to courts and obligors a form to be submitted by the obligor in support of a motion for a modification of an order pursuant to this section or

section 256.87. The rule-making provisions of chapter 15 shall not apply to the preparation of the form.

Sec. 50. [609.101] [SURCHARGE ON FINES, ASSESSMENTS.]

When a court sentences a person convicted of a felony, gross misdemeanor, or misdemeanor, other than a traffic or parking violation, and if the sentence does not include payment of a fine, the court shall impose an assessment of not less than \$20 nor more than \$40. If the sentence includes payment of a fine, the court shall impose a surcharge on the fine of ten percent of the fine. This section applies whether or not the person is sentenced to imprisonment and when the sentence is suspended. The court may, upon a showing of indigency or undue hardship upon the convicted person or his immediate family, waive payment or authorize payment of the assessment or surcharge in installments.

The court shall collect and forward the amount of the assessment or surcharge to the state treasurer to be deposited in the general fund for the purposes of providing services, assistance, or reparations or a combination, to victims of crimes through programs established under sections 241.51 to 241.66, under chapter 256D, and chapter 299B. If the convicted person is sentenced to imprisonment, the chief executive officer of the correctional facility in which the convicted person is incarcerated may collect the assessment or surcharge from any earnings the inmate accrues for work performed in the correctional facility and forward the amount to the state treasurer. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 51. [INSTRUCTIONS TO REVISOR.]

In accordance with section 648.36, in the next edition of Minnesota Statutes the revisor of statutes shall change the headnote of section 4.40 from "displaced worker programs" to "displaced homemaker programs".

Sec. 52. [REPEALER.]

Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11, are repealed.

Sec. 53. [EFFECTIVE DATE.]

Section 30 of this article is effective with respect to applications for benefits made the day after final enactment and thereafter.

Sec. 54. [SUNSET PROVISION.]

Sections 26, 27, 31 and 36 are repealed effective June 30, 1983."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 16.851, by adding a subdivision; 144A.08, by adding a subdivision; 145.913, by adding a subdivision; 145.914, Subdivision 2; 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 245.802, by adding a subdivision; 245.812, by adding a sub-

division; 246.151; 246.54; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256.87; 256.872; 256.873; 256.875; 256.877; 256B.02, Subdivision 8; 256B.03; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 8; 256D.03, Subdivision 2; 256D.04; 256D.05, Subdivision 1; 256D.06, Subdivision 2, and by adding subdivisions; 256D.14; 357.021, Subdivision 2, and by adding a subdivision; 393.07, Subdivision 10; 401.04; 401.12; 517.08, Subdivision 1b, and by adding a subdivision; 518.54, by adding subdivisions; 518.551; 518.611; 518.64, Subdivision 1 and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 144; 145; 241; 245; 256D; 257 and 609; repealing Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11."

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

House Conferees: (Signed) Don Samelson, Shirley A. Hokanson, James I. Rice, Bob Anderson, Mary M. Forsythe

Senate Conferees: (Signed) Gerry Sikorski, Allan H. Spear, Sam G. Solon, Robert J. Tennesen

Mr. Willet moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1446 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. Sikorski imposed a call of the Senate for the proceedings on H. F. No. 1446. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 1446 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 17, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Merriam	Purfeerst	Taylor
Bertram	Humphrey	Moe, D. M.	Ramstad	Tennesen
Dahl	Johnson	Moe, R. D.	Schmitz	Ulland
Davies	Knoll	Nelson	Setzepfandt	Vega
Davis	Kroening	Olhoft	Sikorski	Waldorf
Dicklich	Langseth	Pehler	Solon	Wegener
Dieterich	Lantry	Penny	Spear	Willet
Frank	Lessard	Peterson, C.C.	Stern	
Frederickson	Luther	Peterson, R.W.	Stokowski	
Hanson	Menning	Petty	Stumpf	

Those who voted in the negative were:

Ashbach	Bernhagen	Kamrath	Peterson, D.L.	Sieloff
Bang	Brataas	Knutson	Pillsbury	
Benson	Engler	Kronebusch	Renneke	
Berg	Frederick	Lindgren	Rued	

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 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. 1154: A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

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

Carlson, D.; Murphy and Lehto

Senate File No. 1154 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 937: A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

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

Wynia, Swanson and Valan

Senate File No. 937 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 368: A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05, Subdivision 1.

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

Clark, K.; Schreiber and Staten

Senate File No. 368 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 179: A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

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

Ainley, Osthoff and Sherwood

Senate File No. 179 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 31: A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

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

Hanson, Kelly and Harens

Senate File No. 31 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 353:

H. F. No. 353: A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

And the House respectfully requests that a Conference Committee of five

members be appointed thereon.

Schoenfeld, Jude, Shea, Kalis and Erickson have been appointed as such committee on the part of the House.

House File No. 353 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, 1981

Mr. Menning moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 353, 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.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Ms. Berglin moved that the following members be excused for a Conference Committee on S. F. No. 368 at 3:40 p.m.:

Ms. Berglin and Mr. Humphrey. The motion prevailed.

MEMBERS EXCUSED

Mr. Belanger was excused from the Session of today at 3:15 p.m.

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. 70 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 70 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 70

A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3;

121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

May 15, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 70, 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. 70 be amended as follows:

Delete everything after the enacting clause and insert:

ARTICLE I

FOUNDATION AID

Section 1. Minnesota Statutes 1980, Section 120.17, Subdivision 9, is amended to read:

Subd. 9. [SPECIAL INSTRUCTION.] No resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3. If a resident handicapped pupil attends a nonpublic school located within his district of residence, the district shall provide necessary transportation for that pupil within the district between the nonpublic school and the educational facility where special instruction and services are provided on a shared time basis. If a resident handicapped pupil attends a nonpublic school located in a district contiguous to his district of residence and if no agreement exists pursuant to section ~~124.212~~ 26, subdivision ~~9a~~ 1, clause (c) or (d) of this article, for the provision of special instruction and services on a shared time basis to that pupil by the district of attendance, the district of residence shall provide necessary transportation for that pupil between the boundary of the district of residence and the educational facility where the special instruction and services are provided within the district of residence. The district of residence may provide necessary transportation for that pupil between its boundary and the nonpublic school attended, but the nonpublic school shall pay the cost of transportation provided outside the district boundary.

Sec. 2. Minnesota Statutes 1980, Section 121.904, Subdivision 7, is amended to read:

Subd. 7. Summer school aids *and the proceeds of the summer school levy for any summer school session* shall be recognized as revenues and recorded as receivables in proportion to the total number of summer school days in each fiscal year in which ~~a~~ *the* summer school session occurs; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.

Sec. 3. Minnesota Statutes 1980, Section 122.531, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] *For purposes of this section, the terms defined in section 124.01, sections 20 to 24 of this article, and section 275.125 shall have the meanings ascribed to them in those sections.*

Subd. 1a. [INVOLUNTARY DISSOLUTION REFERENDUM LEVIES.] As of the effective date of the involuntary dissolution of a district and its attachment to one or more existing districts pursuant to sections 122.32, or 122.41 to 122.52, the authorization for any referendum levy previously approved by the voters of the dissolved district in that district pursuant to section 275.125, subdivision ~~2a~~, ~~clause (4)~~ 2d, or its predecessor or successor provision, is cancelled. The authorization for any referendum levy previously approved by the voters of a district to which all or part of the dissolved district is attached shall not be affected by the attachment and shall apply to the entire area of the district as enlarged by the attachment.

Sec. 4. Minnesota Statutes 1980, Section 122.531, Subdivision 2, is amended to read:

Subd. 2. [CONSOLIDATION AND VOLUNTARY DISSOLUTION: REFERENDUM LEVIES.] As of the effective date of a consolidation pursuant

to section 122.23 or the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 122.22, the authorization for all referendum levies previously approved by the voters of all affected districts for those districts pursuant to section 275.125, subdivision 2a, ~~clause (4) 2d~~, or its predecessor or successor provision, is cancelled. However, if all of the territory of any independent district is included in the newly created district, and if the adjusted assessed valuation of taxable property in that territory comprises 90 percent or more of the adjusted assessed valuation of all taxable property in a newly created or enlarged district, the board of the newly created or enlarged district may levy the increased amount previously approved by a referendum in the pre-existing independent district upon all taxable property in the newly created or enlarged district. Any new referendum levy shall be certified only after approval is granted by the voters of the entire newly created or enlarged district in an election pursuant to section 275.125, subdivision 2a, ~~clause (4) 2d~~, or its successor referendum provision.

Sec. 5. Minnesota Statutes 1980, Section 122.531, Subdivision 3a, is amended to read:

Subd. 3a. [GRANDFATHER LEVY AND AID.] (1) *The amounts specified in this subdivision shall be used for purposes of computing the grandfather levy limitation under section 275.125, subdivision 6b, and the foundation grandfather aid under section ~~124.212 22~~ of this article, of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more existing districts; the amounts specified in this subdivision shall be used in lieu of the amounts specified in the designated clauses of section 275.125, subdivision 6b and section 124.212.*

(2) *In lieu of the amount specified in section 275.125, subdivision 6b, clause (2), part (b), subpart (i); section 124.212, subdivision 7e, clause (3), part (a); and section 124.212, subdivision 7d, clause (3), part (a), subpart (i), there shall be used The grandfather guarantee of the newly created or enlarged district shall equal the sum of the amounts derived by performing the following multiplication for each component district:*

(a) *the product in section 275.125, subdivision 6b, clause (1), part (b), computed grandfather guarantee for the component district, times*

(b) *the quotient obtained by dividing the number of actual pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), from that component district who are enrolled in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective, by the total entire number of actual pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the component district in the year preceding the year when the consolidation or dissolution and attachment becomes effective.*

(3) *In lieu of the quotient used in the computation in section 275.125, subdivision 6b, clause (2), part (b), subpart (ii), and in section 124.212, subdivision 7d, clause (3), part (a), subpart (ii), there shall be used The grandfather allowance of the newly created or enlarged district shall equal the quotient obtained by dividing:*

(a) *the sum derived in clause (2) of this subdivision grandfather guarantee of the newly created or enlarged district , by*

(b) the sum of the amounts derived by performing the following computation for each component district:

(i) the number of *actual* pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the component district in 1979-1980, times

(ii) the quotient derived for that component district in clause (2), part (b) of this subdivision.

Sec. 6. Minnesota Statutes 1980, Section 122.531, Subdivision 5, is amended to read:

Subd. 5. [REPLACEMENT LEVY AND AID.] (1) For purposes of computing the *replacement* levy limitation under section 275.125, subdivision 6c, and *replacement aid* under section 23 of this article, the *replacement entitlement* of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more other districts, there shall be used in lieu of the amount specified in section 275.125, subdivision 6c, clause (1), part (a)(i) (A), equal the quotient obtained by dividing:

(a) (1) the sum of the amounts derived by performing the following multiplication for each component district:

(i) (a) the quotient in section 275.125, subdivision 6c, clause (1), part (a)(i)(A), computed for the component district for purposes of 1979 payable 1980 levy limitations *replacement entitlement of the component district*, times

(ii) (b) the number of *actual and AFDC* pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), from that component district who are enrolled in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective; by

(b) (2) the total number of *actual and AFDC* pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the newly created or enlarged district in the year when the consolidation or dissolution and attachment becomes effective.

(2) For purposes of computing the district's foundation aid pursuant to section 124.212, in lieu of the amount derived in section 124.212, subdivision 7e, clause (4), part (a), there shall be used the sum derived in clause (1), part (a) of this subdivision.

Sec. 7. Minnesota Statutes 1980, Section 122.531, Subdivision 6, is amended to read:

Subd. 6. [AID DEDUCTIONS.] (1) For purposes of computing foundation aid under section 124.212, subdivision 7e, clauses (3) and (4), or section 124.212, subdivision 7d, clauses (3) and (4), determining deductions from basic foundation, grandfather, replacement, and discretionary aid pursuant to section 27, subdivision 1, of this article, of a district newly created through consolidation or enlarged through the dissolution of a district and its attachment to one or more other districts, in the year when the consolidation or dissolution and attachment becomes effective, there shall be used in lieu of the ratio of the district's actual levy to its permitted levy in 1979 payable 1980 or 1980 payable 1981, as the applicable, pursuant to section 275.125, subdivision 6b or 6c, as applicable year, the quotient obtained by dividing:

(a) the sum of the products derived for each component district by multiply-

ing the component district's actual levy in the applicable year pursuant to the applicable subdivision, times the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district; by

(b) the sum of the products derived for each component district by multiplying the component district's permitted levy in the applicable year pursuant to the applicable subdivision, times the ratio of the amount of the adjusted assessed valuation of the property from the component district which is included in the new district to the total amount of the adjusted assessed valuation of the new district.

Sec. 8. Minnesota Statutes 1980, Section 124.11, Subdivision 4, is amended to read:

Subd. 4. Estimated elementary and secondary foundation aids shall be paid out on the basis of the latest available information. ~~Except as provided in section 124.212. Estimated elementary and secondary foundation aids shall be computed on the basis of all pupil units identified in section 124.17, subdivision 4.~~ An October enrollment count shall be obtained from all school districts. Adjustment for final elementary and secondary pupil unit figures shall be made in the final foundation aid distribution in October of the following school year.

Sec. 9. Minnesota Statutes 1980, Section 124.01, Subdivision 1, is amended to read:

Subdivision 1. For purposes of this chapter, the words defined in section 120.02 have the same meaning and the terms defined in ~~this section~~ *section 17 and sections 20 to 24 of this article* have the meanings attributed to them in ~~this section~~ *those sections*.

Sec. 10. Minnesota Statutes 1980, Section 124.11, Subdivision 1, is amended to read:

Subdivision 1. [PAYMENT SCHEDULE THROUGH 1982.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program and ~~except as provided in subdivision 5, for fiscal years through 1982~~, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each of the months other than October from August through May based upon information available and the final distribution shall be made in October of the following school year.

Sec. 11. Minnesota Statutes 1980, Section 124.11, is amended by adding a subdivision to read:

Subd. 1a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in fiscal year 1983, based upon information available, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each month from August through April, except October, and five percent shall be paid in May. The final distribution shall be made in October of the following fiscal year.

Sec. 12. Minnesota Statutes 1980, Section 124.11, Subdivision 5, is amended to read:

Subd. 5. Each year, 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 of each year, the commissioner of revenue shall certify the amounts so determined to the department of education. The department of education shall pay each school district its distribution as part of the foundation aid payment to each district in accordance with the payment dates in subdivision 1 or section 11 of this article, as applicable.

Sec. 13. Minnesota Statutes 1980, Section 124.17, Subdivision 1, is amended to read:

Subdivision 1. [PUPIL UNITS.] Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For each handicapped pre-kindergarten pupil and each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For 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.

(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 March 1 of each year the department of public welfare 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) 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.

(6)(Expired)

(7)(Expired)

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

Sec. 14. Minnesota Statutes 1980, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve and for handicapped pre-kindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused; ~~provided that any~~. However, a pupil, regardless of age, who has been absent from school for 15 consecutive school days during the regular school year or for five consecutive school days during summer school or inter-session classes of flexible school year programs without receiving instruction in the home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this section shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days said the schools are in session.

Sec. 15. Minnesota Statutes 1980, Section 124.17, Subdivision 2c, is amended to read:

Subd. 2c. Notwithstanding the provisions of subdivision 2, in any case where cases when school is in session but pupils are prevented from attending for more than 15 consecutive school days during the regular school year or five consecutive school days during summer school or inter-session classes of flexible school year programs, because of epidemic, calamity, weather, fuel shortage, or other justifiable cause, the state board, upon application, may allow the district to continue to count these pupils in average daily membership. A lawful employees' strike is not a justifiable cause for purposes of this subdivision.

Sec. 16. Minnesota Statutes 1980, Section 124.17, is amended by adding a subdivision to read:

Subd. 2d. [SUMMER SCHOOL.] In summer school or inter-session classes of flexible school year programs, membership for pupils shall mean the number of full-time equivalent pupils in the program. This number shall equal the sum for all pupils of the number of classroom hours in the programs for which each pupil is enrolled divided by 1050. Membership in summer school or interses-

sion classes of flexible school year programs shall not include a handicapped pupil 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 treatment.

Sec. 17. Minnesota Statutes 1980, Section 124.20, is amended to read:

124.20 [EDUCATION; STATE AID; SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] Foundation aid for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, (3) summer school classes in elementary and secondary schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall be paid at a proportionate rate for foundation aids paid for the preceding regular school year; provided that no district shall receive aid for programs under this section in an amount greater than its actual expenditures for these programs; provided further, that for purposes of computing summer school foundation aid through 1980, a district's foundation aid for the regular school year shall be reduced by the amount of the agricultural tax credit included in that foundation aid; provided further, that for purposes of computing summer school foundation aid starting in 1981, foundation aid for the regular school year shall be reduced by amounts of foundation aid computed pursuant to section 124.212, subdivision 7e, clauses (2), (3), (4) and (5), and section 124.212, subdivision 7d, clauses (2), (3), (4) and (5), or their successor provisions under the provisions of this section.

Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer school and inter-session classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer school pupil units" means full-time equivalent pupil units for summer school classes and inter-session classes of flexible school year programs computed under the provisions of section 124.17.

(2) "Summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times the foundation aid formula allowance as defined in section 21 of this article for the preceding regular school year.

(3) For summer programs in 1982, "summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times 89 percent of the foundation aid formula allowance as defined in section 21 of this article for the preceding regular school year.

(4) "Summer school aid" means aid for summer school and inter-session classes of flexible school year programs.

Subd. 3. [SUMMER SCHOOL AID.] Each year a district shall receive summer school aid equal to the difference between

(1) the product of

(a) the ratio of the district's actual levy to its permitted levy pursuant to section 34 of this article certified in the calendar year when the summer school

program is offered; times

- (b) the district's summer school revenue allowance; and
- (2) the levy certified by the district pursuant to section 34 of this article in the calendar year when the summer school program is offered.

Sec. 18. Minnesota Statutes 1980, Section 124.212, Subdivision 1, is amended to read:

Subdivision 1. [COMPONENTS.] ~~The Foundation aid program for each school districts district for each school years 1979-1980 and 1980-1981 shall be governed by the terms and provisions of this section- year shall equal the sum of the following:~~

- (a) Basic foundation aid;
- (b) Grandfather aid;
- (c) Replacement aid;
- (d) Discretionary aid;
- (e) State school agricultural tax credit aid;
- (f) Minimum aid; and
- (g) Foundation aid for shared time pupils.

Sec. 19. Minnesota Statutes 1980, Section 124.212, is amended by adding a subdivision to read:

Subd. 11b. In determining adjusted assessed valuation, property which qualifies for the reimbursement specified in section 273.139, subdivision 1, shall be treated as if it were classified as 3b or 3c in the case of homestead property, or as 3d in the case of nonhomestead property.

Sec. 20. [124.2121.] [FOUNDATION AID DEFINITIONS.]

Subdivision 1. [ADJUSTED MAINTENANCE COST.] "Adjusted maintenance cost" means the state and local current expense for pupils in elementary and secondary schools, exclusive of transportation, veterans training program, community services, and after reduction for receipts from the sale of authorized items sold to the individual pupil by the school such as lunches, items of personal use, or other items specifically authorized by law or under the procedures set forth in sections 120.71 to 120.76, and after reduction for receipts from extracurricular activities when the school board has assumed direction and control of these activities.

Subd. 2. [ADJUSTED ASSESSED VALUATION.] "Adjusted assessed valuation" or "EARC valuation" means the assessed valuation of the taxable property notwithstanding the provisions of section 275.49 of the school district as adjusted by the equalization aid review committee. The adjusted assessed valuation for any given calendar year shall be used to compute levy limitations for levies certified in the succeeding calendar year and aid for the school year beginning in the second succeeding calendar year.

Subd. 3. [PUPIL UNITS.] (a) "Actual pupil units" means pupil units identified in section 124.17, subdivision 1, clauses (1) and (2).

(b) "AFDC pupil units" means 98.5 percent of the pupil units identified in

Minnesota Statutes 1980, Section 124.17, Subdivision 1, Clauses (4) and (5) in the 1980-1981 school year.

(c) *"Total pupil units" means actual pupil units plus AFDC pupil units.*

(d) *"Declining enrollment pupil units" means pupil units identified in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (6).*

(e) *"Growing enrollment pupil units" means pupil units identified in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (7).*

Subd. 4. [EQUALIZING FACTOR.] *"Equalizing factor" means a number equal to the minimum EARC valuation per actual and AFDC pupil unit which disqualifies a district from earning any basic foundation aid. The equalizing factor for each school year and for levies for use in that school year equals the ratio, rounded to the nearest dollar, of the foundation aid formula allowance for that school year to the basic maintenance mill rate for that school year.*

Subd. 5. [LEVY USE.] *A levy "for use in a particular school year," "attributable to a particular school year," or "recognized as revenue in a particular school year," means the levy certified in the calendar year ending in the school year preceding that particular school year, and payable in the calendar year in which that school year begins.*

Sec. 21. [124.2122.] [BASIC FOUNDATION AID.]

Subdivision 1. [FORMULA ALLOWANCE.] *"Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,318 for 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year. The formula allowance shall be \$1,400 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.*

Subd. 2. [BASIC MAINTENANCE MILL RATE.] *"Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .021 for the 1980 payable 1981 levy and for foundation aid for the 1981-1982 school year. The basic maintenance mill rate shall be .023 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.*

Subd. 3. [BASIC FOUNDATION REVENUE.] *A district's basic foundation revenue for each school year shall equal the formula allowance times its total pupil units for that school year.*

Subd. 4. [BASIC FOUNDATION AID.] *A district's basic foundation aid for each school year shall equal its basic foundation revenue for that school year, minus the basic maintenance mill rate times the applicable adjusted assessed valuation of the district.*

Sec. 22. [124.2123.] [GRANDFATHER FOUNDATION AID.] **Subdivision 1. [GRANDFATHER GUARANTEE AND ALLOWANCE.]** (a) *A district's "basic grandfather amount" shall equal the amount per pupil unit which the district was permitted to levy in 1978 pursuant to Minnesota Statutes*

1978, Section 275.125, Subdivisions 6 and 7.

(b) A district's "grandfather guarantee" shall equal its basic grandfather amount times its 1979-1980 actual, declining enrollment and growing enrollment pupil units.

(c) A district's "grandfather allowance" shall equal its grandfather guarantee divided by its 1979-1980 actual pupil units.

(d) A district's "grandfather levy limitation" means its levy limitation computed pursuant to section 275.125, subdivision 6b.

Subd. 2. [GRANDFATHER REVENUE.] A district's grandfather revenue for any school year shall equal the greater of (a) its grandfather guarantee, or (b) its grandfather allowance times its actual pupil units for the preceding school year.

Subd. 3. [GRANDFATHER AID.] A district's grandfather aid for any school year shall equal its grandfather revenue for that school year minus its grandfather levy limitation for the levy for use in that school year.

Sec. 23. [124.2124.] [REPLACEMENT FOUNDATION AID.]

Subdivision 1. [REPLACEMENT COMPONENTS.] (a) A district's "fluctuating enrollment replacement component" shall equal the amount of additional foundation aid or basic maintenance levy revenue the district would have received for the 1980-1981 school year if declining or growing enrollment pupil units had been used in the computation of basic foundation aid for 1980-1981 pursuant to Minnesota Statutes 1980, Section 124.212, Subdivision 7c, Clause (1) or of the 1979 basic maintenance levy limitation pursuant to Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 2b or 2c.

(b) A district's "sparsity replacement component" shall equal the amount of additional aid the district would have received for the 1980-1981 school year if Minnesota Statutes 1979 Supplement, Section 124.224 had been effective for 1980-1981.

(c) A district's "basic replacement entitlement" shall equal the sum of its fluctuating enrollment replacement component and its sparsity replacement component, divided by its total pupil units in 1980-1981.

(d) "Replacement inflator" for any school year means the ratio of the foundation aid formula allowance for that school year to \$1,265. For the 1981-1982 school year, however, the replacement inflator shall equal 107 percent.

(e) A district's "replacement allowance" for each school year shall equal its basic replacement entitlement times the replacement inflator for that school year.

(f) A district's "replacement levy limitation" means its levy limitation computed pursuant to section 275.125, subdivision 6c.

Subd. 2. [REPLACEMENT REVENUE.] A district's replacement revenue for any school year shall equal its replacement allowance for that school year times its total pupil units for that school year.

Subd. 3. [REPLACEMENT AID.] A district's replacement aid for any

school year shall equal its replacement revenue for that school year minus its replacement levy limitation for the levy for use in that school year.

Sec. 24. [124.2125.] [DISCRETIONARY AID.]

Subdivision 1. [DISCRETIONARY ALLOWANCE; DEFINITION.] "Discretionary allowance" means the amount of revenue per pupil unit used to compute discretionary aid for a particular school year and the discretionary levy for use in that school year. The discretionary allowance shall equal the formula allowance for the school year times the ratio of the discretionary mill rate to the basic maintenance mill rate for levies for use in that school year, rounded to the nearest cent. The discretionary allowance for 1981-1982, however, shall equal \$64.48.

Subd. 2. [DISCRETIONARY MILL RATE.] "Discretionary mill rate" means the mill rate used to compute the discretionary levy, the discretionary allowance, and discretionary aid for use in a particular school year. The discretionary mill rate shall equal .001 for 1981-1982 aid. For the 1981 payable 1982 levy and 1982-1983 aid, and for the levy and aid for succeeding years, the discretionary mill rate shall equal .00225 in districts which levy pursuant to section 275.125, subdivision 7a, clause (2), and .001 in districts which levy pursuant to section 275.125, subdivision 7a, clause (3).

Subd. 3. [DISCRETIONARY REVENUE.] A district's discretionary revenue for each school year shall equal its discretionary allowance for that school year times its total pupil units for the preceding school year.

Subd. 4. [DISCRETIONARY AID.] A district's discretionary aid for each school year shall equal its discretionary revenue for that year, minus the discretionary mill rate times the applicable adjusted assessed valuation of the district.

Sec. 25. [124.2126.] [MINIMUM AID.] *Subdivision 1. [QUALIFICATION.] A district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6 and 6a, comprises 60 percent or more of the assessed valuation of the district shall qualify for minimum aid.*

Subd. 2. [GUARANTEE.] A qualifying district's "minimum guarantee" for each school year shall equal \$800 times its total pupil units for that school year, minus its basic foundation aid for that school year.

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each school year shall equal its minimum guarantee for that school year, minus the sum of:

(1) The amount of the district's state school agricultural tax credit aid for that school year;

(2) The amount by which property taxes of the district for use in that school year are reduced by the homestead credit provisions in section 273.13, subdivisions 6, 7, and 14a;

(3) The amount by which property taxes of the district for use in that school year are reduced by the taconite homestead credit provisions in section 273.135; and

(4) The amount by which property taxes of the district for use in that school year are reduced by the attached machinery provisions in section 273.138,

subdivision 6.

Sec. 26. [124.2127.] [SHARED TIME PUPILS.]

Subdivision 1. [DEFINITION; FOUNDATION AID.] Shared time pupils are defined as those pupils who attend public school programs for part of the regular school day and who otherwise fulfill the requirements of section 120.10 by attendance at a nonpublic 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 and, upon agreement, the district of attendance may bill the resident district for any unreimbursed education costs, but not for unreimbursed transportation costs. The agreement may, however, provide for the resident district to pay the cost of any of the particular transportation categories specified in section 124.225, subdivision 1, and in this case, aid for those categories shall be paid to the district of residence rather than to the district of attendance.

(e) Minutes of enrollment in a public school during which a nonpublic school pupil receives services pursuant to section 123.935 shall not be used in the computation of shared time foundation aid pursuant to this subdivision.

Subd. 2. [LOCATION OF SERVICES.] Public school programs may be provided to shared time pupils only at a public school building; provided, however, that special instruction and services for handicapped children required pursuant to section 120.17 may also be provided at a neutral site as defined in section 123.932, and diagnostic and health services required pursuant to section 120.17 may also be provided at a nonpublic school building. As used in this subdivision, "diagnostic services" means speech, hearing, vision, psychological, medical and dental diagnostic services and "health

services' means physician, nursing or optometric services provided to pupils in the field of physical and mental health.

Sec. 27. [124.2128.] [DEDUCTIONS FROM FOUNDATION AID.]

Subdivision 1. [UNDERLEVIES.] A district's basic foundation, grandfather, replacement or discretionary aid, as applicable, for any school year when the actual amount of the corresponding levy for use in that year is less than the permitted amount, shall be reduced by a percentage equal to the difference between the actual amount and the permitted amount, divided by the permitted amount. This provision shall apply to basic foundation aid only for a school year when the actual amount of the basic maintenance levy for use in that year is less than 95 percent of the permitted amount.

Subd. 2. [PERMANENT SCHOOL FUND.] 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 or from aid earned from other state sources.

Subd. 3. [MINIMUM.] In no event shall the amount payable to any district from state sources for any one year be reduced below the amount payable as apportionment of the school endowment fund pursuant to sections 124.08 to 124.10.

Subd. 4. [COUNTY APPORTIONMENT DEDUCTION.] (1) The amount of money apportioned to a school district for each school year pursuant to section 124.10, subdivision 2, which exceeds the amount apportioned to that district pursuant to section 124.10, subdivision 2 for 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), five-sixths of the amount apportioned pursuant to section 124.10, subdivision 2, shall be deducted from foundation aid for the 1981-1982 school year, but this deduction shall not exceed five-sixths of the amount apportioned for 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 for that year pursuant to section 124.10, subdivision 2, shall be deducted from the foundation aid earned by that district for the same year.

Subd. 5. [TACONITE DEDUCTIONS.] (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.

(2) For districts which received payments under sections 294.21 to 294.26; 298.23 to 298.28; 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 or recognized revenue pursuant to section 477A.15; the foundation aid shall be reduced in the October adjustment payment by the difference between the dollar amount of the payments received pursuant to those sections, or revenue recognized pursuant to section 477A.15 in the fiscal year to which the October adjustment is attributable and the amount which was calculated, pursuant to section 275.125, subdivision 9, as a reduction of the

levy attributable to the fiscal year to which the October adjustment is attributable. 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 in the following manner: there shall be withheld from each monthly scheduled foundation aid payment due the district in such fiscal year, 15 percent of the total negative amount, until the total negative amount has been withheld. 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.

Subd. 6. [DISCRETIONARY AID FUND BALANCE REDUCTION.] A district's discretionary aid for any school year shall be reduced by the amount specified in section 38 of this article.

Sec. 28. [124.2129.] [FOUNDATION AID; RESIDENT AND NONRESIDENT DISTRICTS.]

Subdivision 1. [AID TO DISTRICT OF RESIDENCE.] Foundation aids shall be paid to the district of residence unless otherwise specifically provided by law.

Subd. 2. [DISTRICT WITHOUT SCHOOLS.] Any district not maintaining classified elementary or secondary schools shall pay the tuition required in order to enable resident pupils to attend school in another district when necessary, and shall receive foundation aid pursuant to this section on the same basis as other districts. The aid shall be computed as if the pupils were enrolled in the district of residence.

Subd. 3. [NOTIFICATION OF RESIDENT DISTRICT.] Any school district educating children who are residents of another school district shall notify the district of residence within 60 days of the date the child is determined by the district to be a nonresident, but not later than October 1 following the end of the school year in which the child is educated. If the district of residence does not receive a notification from the providing district pursuant to this subdivision, it shall not be liable to that district for any tuition billing received after October 1 of the next school year.

Subd. 4. [STATE AGENCY AND COURT PLACEMENTS.] If a state agency or a court of the state desires to place a child in a school district which is not the child's district of residence, that agency or court shall, prior to placement, allow the district of residence an opportunity to participate in the placement decision and notify the district of residence, the district of attendance and the commissioner of education of the placement decision. When a state agency or court determines that an immediate emergency placement is necessary and that time does not permit district participation in the placement decision or notice to the districts and the commissioner of education of the placement decision prior to the placement, the agency or court may make the decision and placement without that participation or prior notice. The agency or court shall notify the district of residence, the district of attendance and the commissioner of education of an emergency placement within 15 days of the placement.

Sec. 29. Minnesota Statutes 1980, Section 124.213, is amended to read:

124.213 [STATE SCHOOL AGRICULTURAL CREDIT.]

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of 17 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.

Subd. 2. [STATE AID.] A school district's state school agricultural tax credit aid for each school year shall equal the amount by which property taxes certified in the district for collection in the calendar year ending in that school year are reduced pursuant to subdivision 1.

Subd. 3. [APPROPRIATION.] 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. 30. Minnesota Statutes 1980, Section 124.214, Subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any school district for any taxable year is changed after the taxes for that year have been spread by the county auditor and whenever the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon such changed valuations, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding year. In August of each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. The amount of the abatement adjustment shall be the product of (1) the net revenue loss as certified by the county auditor, times (2) the ratio of the sum of the amounts of the district's levy limitations in the preceding October pursuant to section 275.125, subdivision 2a; ~~clause (4) or (2)~~, and subdivisions 5, 6c, and 7a to the total amount of the district's maximum levy limitation in the preceding October pursuant to section 275.125. For purposes of this computa-

tion, the district's levy limitation pursuant to section 275.125, subdivision 5, shall not include the amounts authorized to be levied for bus purchases or because of extraordinary traffic hazards. The abatement adjustment shall be recognized as revenue in the fiscal year in which it is received.

Sec. 31. Minnesota Statutes 1980, Section 275.125, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] Except as may otherwise be provided in this section, the words and phrases defined in sections 124.01 and, 124.212, section 17 of this article and sections 20 to 24 of this article when used in this section shall have the meanings ascribed to them in those sections.

Sec. 32. Minnesota Statutes 1980, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. [BASIC MAINTENANCE LEVY.] (1) ~~In 1979~~ Each year, a school district may levy for all general and special school purposes, an amount ~~equal to not to exceed~~ the amount raised by ~~23 mills~~ the basic maintenance mill rate times the ~~1978~~ adjusted assessed valuation of the district ~~for the preceding year.~~

(2) ~~In 1980, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 21 mills times the 1979 adjusted assessed valuation of the district.~~

(3) ~~For any district levying less than 95 percent of the maximum levy allowable in clauses (1) and (2), the foundation aid to the district for the school year when the levy is recognized as revenue, calculated pursuant to section 124.212, subdivision 7e, clauses (1) and (6); or section 124.212, subdivision 7d, clauses (1) and (6); or their successor provisions, as applicable, shall be reduced to an amount equal to the ratio between the actual levy and the maximum levy allowable under clauses (1) and (2) times the foundation aid calculated pursuant to section 124.212, subdivision 7e, clauses (1) and (6); or section 124.212, subdivision 7d, clauses (1) and (6); or their successor provisions, as applicable, to which the district is otherwise entitled for that year. For purposes of computations pursuant to this clause, the maximum levy allowable and the actual levy under clauses (1) and (2) shall be increased by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law. For purposes of this subdivision, the term "basic maintenance mill rate" shall have the meaning given it in section 21 of this article.~~

(4) (a) ~~Subd. 2d.~~ [REFERENDUM LEVY.] (1) The levy authorized by ~~clauses (1) or (2)~~ subdivision 2a may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held to approve a levy increase which will commence in a specific school year. The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valu-

ation 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.

(b) (2) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (a) (1) of this ~~clause~~ subdivision may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. ~~The amount A levy~~ approved by the voters of the district pursuant to clause (a) (1) of this ~~clause~~ subdivision must be ~~levied~~ made 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) (3) A petition authorized by clauses (a) (1) or (b) of this ~~clause~~ (2) shall be effective if signed by a number of qualified voters in excess of 15 percent, or ten percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(d) (4) 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) (5) 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. 33. Minnesota Statutes 1980, Section 275.125, Subdivision 2c, is amended to read:

Subd. 2c 2e: [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] (1) ~~Beginning in 1979~~. In any year when the amount of the maximum levy limitation under subdivision 2a, ~~clause (1) or (2)~~, for any district ~~with fewer than 950 pupil units under section 124.17, subdivision 1, clauses (1) and (2)~~, exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of *actual and AFDC* pupil units for that district ~~identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5)~~, for that school year, the levy limitation for that district under subdivision 2a, ~~clause (1) or (2)~~, shall be limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, Section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 2a, ~~clause (1) or (2)~~:

(a) the product of the district's foundation aid formula allowance ~~under section 124.212~~ for the school year in which the levy is recognized as revenue, times the estimated number of *actual and AFDC* pupil units for that district ~~identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5)~~, for that school year, less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section ~~124.212 27~~, subdivision ~~5a 4~~ of this article in the school year in which the levy is recognized as revenue.

(2) A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, ~~clause (1) or (2)~~,

for purposes of statutory cross-reference.

Sec. 34. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 2f. [SUMMER SCHOOL LEVY.] A district may levy for summer school programs an amount equal to the following product:

(1) The district's summer school revenue allowance as defined in section 124.20 for the calendar year when the levy is certified, times

(2) the lesser of

(a) one or

(b) the ratio of

(i) the quotient derived by dividing the adjusted assessed valuation of the district in the third preceding year, by the number of actual and AFDC pupil units in the district in the preceding regular school year, to

(ii) the equalizing factor for the preceding regular school year.

Sec. 35. Minnesota Statutes 1980, Section 275.125, Subdivision 6b, is amended to read:

Subd. 6b. [GRANDFATHER LEVY.] (1) In 1979 any district which qualified in 1978 for an excess levy under Minnesota Statutes 1978, Section 275.125, Subdivision 6 or 7, may levy an amount equal to the product obtained by multiplying

(a) the lesser of

(i) one or

(ii) the ratio of the district's 1978 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in 1979-1980, to the state average 1978 adjusted assessed valuation per pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the state in 1979-1980, times

(b) the product obtained by multiplying

(i) the amount per pupil unit which the district was permitted to levy in 1978 under Minnesota Statutes 1978, Section 275.125, Subdivisions 6 and 7, times

(ii) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (6), and (7), in the district in 1979-1980. For purposes of this subdivision, the terms "grandfather guarantee" and "grandfather allowance" shall have the meanings given them in section 22 of this article.

(2) In 1980 and Each year thereafter, any district which qualified in 1979 for an excess levy under clause (1) this subdivision, shall be allowed to levy an amount equal to the product obtained by multiplying

(a) the lesser of

(i) one or

(ii) the ratio of the district's adjusted assessed valuation in the preceding year per actual and AFDC pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the school year when the levy is certified, to the

state average adjusted assessed valuation in the preceding year per *actual* and *AFDC* pupil unit identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the school year when the levy is certified, times

(b) the greater of

(i) the amount derived in clause (1), part (b) the district's grandfather guarantee, or

(ii) the product obtained by multiplying

(A) the number of *actual* pupil units identified in section 124.17, subdivision 1, clauses (1) and (2) in the district in the school year when the levy is certified, times

the quotient obtained by dividing the amount derived in clause (1), part (b), by the number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), in the district in 1979-1980 (B) the district's grandfather allowance.

(3) For purposes of computing levy limitations pursuant to this subdivision and the matching grandfather aid, the department shall use and shall not be required to subsequently adjust the state average adjusted assessed valuation per pupil unit determined as of the September 1 before the levy is certified.

Sec. 36. Minnesota Statutes 1980, Section 275.125, Subdivision 6c, is amended to read:

Subd. 6c. [REPLACEMENT LEVY.] (1) In 1979 any district may levy an amount equal to the lesser of

(a) the product obtained by multiplying

(i) the ratio of

(A) the quotient obtained by dividing the sum of the additional amounts of aid the district would receive if pupil units identified in section 124.17, subdivision 1, clauses (6) and (7) were used in addition to the pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the computation pursuant to section 124.212, subdivision 7c, clause (1), and if section 124.224 were effective in the 1980-1981 school year, by the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the district in 1980-1981, to

(B) \$55,000, times

(ii) the district's 1978 adjusted assessed valuation, or

(b) the additional amounts of aid the district would receive if pupil units identified in section 124.17, subdivision 1, clauses (6) and (7) were used in addition to the pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5), in the computation pursuant to section 124.212, subdivision 7c, clause (1), and if section 124.224 were effective in the 1980-1981 school year. For purposes of this subdivision, the term "replacement revenue" shall have the meaning given it in section 23 of this article.

(2) In 1980 and Each year thereafter, any district which qualified for a levy under clause (1) this subdivision in 1979 may levy an amount equal to

(a) the product obtained by multiplying

(i) the ratio of the foundation aid formula allowance district's replacement revenue for the school year to which the levy is attributable pursuant to section 121.904, subdivision 4, to \$1,265, times

(ii) the ratio of the amount derived in Clause (1), part (a) (i) (A), to the equalizing factor for the school year to which the levy is attributable, times

(iii) (ii) the lesser of

(A) one or

(B) the ratio of the district's adjusted assessed valuation for the preceding year, or

(b) the product obtained by multiplying

(i) the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4) and (5) in the district in the school year to which the levy is attributable pursuant to section 121.904, subdivision 4, times

(ii) the ratio of the foundation aid formula allowance for the year to which the levy is attributable pursuant to section 121.904, subdivision 4, to \$1,265, times

(iii) the amount derived in Clause (1), part (a) (i) (A), per actual and AFDC pupil unit in the school year to which the levy is attributable, to the equalizing factor for the school year to which the levy is attributable.

Sec. 37. Minnesota Statutes 1980, Section 275.125, Subdivision 7a, is amended to read:

Subd. 7a. [DISCRETIONARY LEVY.] (1) In 1980 each district which levies the maximum permissible amount pursuant to subdivision 2a, clause (1) or (2) and subdivision 6b, may levy an additional amount which shall not exceed the lesser of (a) an amount equal to one mill times the district's 1979 adjusted assessed valuation or (b) the product obtained by multiplying \$64.48 times the number of pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the district in the 1980-1981 school year. For purposes of this subdivision, the terms "discretionary allowance" and "discretionary mill rate" shall have the meanings given them in section 24 of this article.

(2) In 1981 and each year thereafter, each a district which levies the maximum permissible amount pursuant to subdivision 2a, clause (1) or (2) and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to $1\frac{1}{2}$ mills the discretionary mill rate times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying (i) $1\frac{1}{2}$ times (ii) the ratio of the equalizing factor to 1,000 the applicable discretionary allowance times (iii) the number of actual and AFDC pupil units identified in section 124.17, subdivision 1, clauses (1), (2), (4), and (5), in the district in the school year when the levy is certified.

(3) In 1981 and each year thereafter, a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b, and where the net unappropriated balance in all operating funds as of the preceding June 30 is less than \$165 per actual and AFDC pupil unit in the district in the school year when the levy is certified, may levy an amount which shall not exceed the lesser of (a) one mill times the district's adjusted assessed valuation for the

preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the total number of pupil units in the district in the school year when the levy is certified, without holding a public hearing or conducting a referendum pursuant to clause (5).

(4) The board is not required to hold a public hearing or conduct a referendum on the levy authorized by this subdivision in any year when it levies pursuant to clause (3) or when the board proposes to levy an amount not to exceed an amount equal to the preceding year's adjusted assessed valuation times the largest number of EARC mills previously levied by the district pursuant to this subdivision.

(5)(a) Except as provided in clause (3), the provisions of clause (5) shall apply to the levy authorization in this subdivision in any year when the board either proposes to levy pursuant to this subdivision for the first time or proposes to increase the number of mills which it levies against its adjusted assessed valuation pursuant to this subdivision to a number of mills greater than the largest number of mills previously levied against its adjusted assessed valuation pursuant to this subdivision.

(b) By the July 1 before a district certifies any levy pursuant to this subdivision in 1980, in any even-numbered year thereafter, or in any odd-numbered year thereafter when the district has not certified a levy pursuant to this subdivision in the preceding year July 15 in any year when clause (5) applies, the board of the district shall hold a public hearing on the need for the proposed levy pursuant to this subdivision or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate type, on 12 point body, with a larger headline, shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the amount of the proposed levy or increase in dollars, in EARC mills and in auditor's mills, and the estimated net unappropriated fund balance in the district's operating funds as of the June 30 before the levy or increase is certified, and the tax impact of the proposed levy on homesteads with market values of \$30,000 and \$50,000.

(c) At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years and, the estimated net unappropriated fund balances in all district funds as of the June 30 before the levy or increase is certified, and the estimated amount in dollars, in EARC mills and in auditor's mills of any reduction of the proposed levy which may be required by section 38 of this article. At the hearing, and the board shall also hear all parties requesting to give testimony for and against the proposed levy or increase. Upon receipt of a petition within 20 30 days after the hearing of the greater of (a) 50 voters, or (b) 15 percent of the number of voters who voted in the district at the most recent regular school board election, the board shall call a referendum on a reduction of the proposed levy or increase. The petition shall state the number of mills on the district's adjusted assessed valuation by which it proposes to reduce the proposed levy. No petition or referendum shall provide for a reduction of a proposed levy pursuant to this subdivision to a rate less than one-half mill on the district's adjusted assessed valuation below the rate levied by the district pursuant to this subdivision in the preceding year. A petition shall be effective if signed by a number of qualified voters in the district equal to the greater of 50 voters or 15 percent of the number of voters who voted in the district at the most recent regular school board election.

(d) The referendum shall be held on a date set by the school board, but no

later than the ~~August 20~~ *September 20* before the levy is certified. ~~The question on the ballot shall state the maximum amount of the proposed levy, the amount of the proposed reduction of the levy and the amount of the levy if the reduction is approved, in mills on the district's adjusted assessed valuation and in dollars in the first year of the proposed levy.~~

The ballot shall state substantially the following, as appropriate:

The board of _____ School District No. _____ has proposed (a discretionary levy in a maximum amount of _____ EARC mills which would raise) (to increase a discretionary levy from _____ EARC mills to _____ EARC mills. This increase would provide an additional) \$ _____ in the first year levied.

Shall the (increase in the) discretionary levy

Yes *proposed by the Board of School*
 No *District No. be approved?*

(e) The approval of a majority of those voting on the question is required to pass the referendum.

(f) If a petition is not received or if the proposed levy or increase is approved at a referendum, the district may levy the amount provided by the number of mills proposed by the school board, in the year when the hearing or referendum is held and in succeeding years. If a proposed first time levy is not approved, except as provided in clause (3), the district may not levy pursuant to this subdivision in the year when the referendum is held and shall be required to comply with the provisions of clause (5) before levying pursuant to this subdivision in a subsequent year. If a proposed increase is not approved, the district may levy an amount not to exceed the amount provided by the millage proposed by the school board, reduced by any reduction in millage approved at a referendum pursuant to this clause largest number of EARC mills previously levied by the district pursuant to this subdivision, applied to the preceding year's adjusted assessed valuation until the next even-numbered year. The district is not required to hold a public hearing or call a referendum on a levy pursuant to this subdivision in any odd-numbered year which succeeds a year in which a levy is certified pursuant to this subdivision.

Sec. 38. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 7c. [DISCRETIONARY LEVY FUND BALANCE PROVISION.] Beginning with the 1981 levy, for a district where the net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds \$500 per actual and AFDC pupil unit in the year when the levy is certified, the discretionary levy limitation shall be reduced by the amount of the excess times the lesser of one or the ratio of the district's EARC valuation for the preceding year per actual and AFDC pupil unit in the school year when the levy is certified, to the equalizing factor. Beginning with the 1982-1983 school year, the discretionary aid for the year when that levy is used shall be reduced by any amount of the excess which is not subtracted from the levy.

Sec. 39. Minnesota Statutes 1980, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. [LEVY REDUCTIONS; TACONITE.] (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 authorized 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 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; 477A.15; 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, or *recognized revenue pursuant to section 477A.15*; 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 by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or *revenue recognized pursuant to section 477A.15* in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or *revenue recognized pursuant to section 477A.15* in the previous fiscal year less the product of the same dollar amount of payments or *revenue* times the ratio of the maximum levy allowed the district under subdivision 2a, to the total levy allowed the district under this section in the year in which the levy is certified.

(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 ten 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) 2d~~ 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. The amount of any levy authorized by subdivision 7a shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by subdivision 11a, and the community service levy authorized by subdivision 8, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to subdivision 11a and for community services pursuant to subdivision 8. The reduction of the capital expenditure levy and the community services 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 pursuant to sections 294.21 to 294.26; 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~~ 27, subdivision ~~8a~~ 5, clause (2), of this article and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the commissioner of finance in the following amount on the designated date: on or before March 15 of each year, 100 percent of the amount required to be subtracted from the previous fiscal year's foundation aid pursuant to section ~~124.212~~ 27, subdivision ~~8a~~ 5, of this article which is in excess of the foundation aid earned for that fiscal year. 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. 40. Minnesota Statutes 1980, Section 275.125, Subdivision 9a, is amended to read:

Subd. 9a. [STATUTORY OPERATING DEBT LEVY.] (1) In 1978 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the cumulative 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 levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under subdivision 2a, ~~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. 41. Minnesota Statutes 1980, Section 275.125, Subdivision 19, is amended to read:

Subd. 19. [LEVY REDUCTION; MINIMUM AID.] ~~Beginning with the 1979 payable 1980 levy,~~ Any district which it is estimated will receive an amount of minimum foundation aid pursuant to section ~~124.212, subdivision 7e, clause (6)~~ 25 of this article or its successor provision in the year to which the levy is attributable, shall reduce its levy limitation pursuant to subdivision

2a, ~~clause (4) or (2)~~, by the amount of minimum foundation aid which it is estimated that the district will receive in the year to which the levy is attributable.

Sec. 42. Minnesota Statutes 1980, Section 275.125, Subdivision 20, is amended to read:

Subd. 20. [ESTIMATES.] The computation of levy limitations pursuant to ~~subdivisions 2b, 2c, 6e and 49~~ *this section* shall be based on estimates where necessary. If as a result of using estimates for these computations the amount of any levy is different from the amount which could actually have been levied if actual data had been available, levy limitations in the first year when the actual data is known shall be adjusted to reflect for this difference. The amount of any adjustment to levy limitations pursuant to this subdivision shall be recognized as revenue in the school year when the levy for which the levy limitation is so adjusted is recognized as revenue.

Sec. 43. Minnesota Statutes 1980, Section 298.28, Subdivision 1, is amended to read:

Subdivision 1. The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton *plus the increase provided in paragraph (c) to qualifying* school districts to be distributed as follows:

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part ~~(e)~~ (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section

273.134. 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. 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) 2d.

(c) On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124.212 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection fund as provided in section 298.28, subdivision 1, clause 10.

(e) (d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be

distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 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.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be

included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 44. [DULUTH AIR BASE CLOSING; AID.]

Subdivision 1. [DETERMINING PUPIL UNIT REDUCTION.] In the 1981-1982 school year, Independent School Districts No. 700, No. 704, and No. 709 shall determine the reduction in number of pupil units from the 1980-1981 school year because of the closing of the Duluth air base.

Subd. 2. [1981-1982 ADJUSTMENT.] In the 1981-1982 school year, Independent School Districts No. 700, No. 704, and No. 709 shall receive 50 percent of the foundation aid lost because of the reduction in pupil units pursuant to subdivision 1.

Sec. 45. [LEVY ADJUSTMENTS.]

In 1981, the maximum levy limitation under Minnesota Statutes, Section 275.125, Subdivision 2a or 2e, as applicable, for each district shall be reduced by any difference between the amount of the basic maintenance levy certified by the district in 1980 and the amount of the 1980 basic maintenance levy limitation which would have been computed for the district using a formula allowance of \$1,318.

Sec. 46. [USE OF RESTORATION FUNDS.]

Moneys paid to a school district pursuant to Session Laws 1981, Chapter 1, may be deposited in the school district's general fund and may be used for any expenditure for which general fund moneys may be used, notwithstanding any provision in the law restricting the use of moneys to the specific purpose for which the moneys were appropriated.

Sec. 47. [EVALUATION OF GRANDFATHER AND REPLACEMENT LEVY.]

The state department of education shall study and evaluate the effects of the grandfather and replacement levy limitations and grandfather and replacement aid and report the findings of this study to the education committees of the

legislature before February 15, 1982. The reports shall include recent data on patterns of revenue, expenditures, unit costs, and fund balances of school districts.

Sec. 48. [INSTRUCTIONS TO REVISOR.]

In accordance with section 648.34, in the next edition of Minnesota Statutes, the revisor of statutes shall transfer Minnesota Statutes, Section 124.212, Subdivisions 10 to 18, including any 1981 amendments to these subdivisions, into a new section coded as [124.2131.] with a headnote entitled [EQUALIZATION AID REVIEW COMMITTEE.], and shall alter the references to those subdivisions in the statutes so as to conform to the transfer.

Sec. 49. [REPEALER.]

Minnesota Statutes 1980, Sections 122.531, Subdivision 7; 124.01, Subdivisions 2, 3, and 4; 124.212, Subdivisions 2, 4, 5, 5a, 6c, 7c, 7d, 8a, 9, 9a, 9b, 20, 20a, and 21; and 275.125, Subdivisions 2b and 7b, are repealed.

Sec. 50. [APPROPRIATION.]

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:

\$724,700,000.....1982,

\$614,000,000.....1983.

The appropriation for 1982 includes \$68,500,000 for aid for fiscal year 1981 payable in fiscal year 1982, and \$656,200,000 for aid for fiscal year 1982 payable in fiscal year 1982.

The appropriation for 1983 includes \$65,200,000 for aid for fiscal year 1982 payable in fiscal year 1983, and \$548,800,000 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [SUMMER SCHOOL.] For state aid for summer school there is appropriated:

\$11,470,400.....1982,

\$11,930,400.....1983.

The appropriation for 1982 is for 1981 summer school programs.

The appropriation for 1983 is for 1982 summer school programs.

If the appropriation amounts for this purpose are insufficient, the aid shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this subdivision for this purpose.

Subd. 4. [CANCELLATION.] Any unexpended balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

Sec. 51. [EFFECTIVE DATE.]

Subdivision 1. Sections 2, 14, 15, 16, 17, and 37 of this article are effective the day following final enactment.

Subd. 2. Section 43 of this article is effective for taxes payable in 1982 for iron ore concentrate produced in any year beginning after December 31, 1980.

ARTICLE II

TRANSPORTATION AID

Section 1. Minnesota Statutes 1980, Section 123.39, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL PROVISIONS.] The board may provide for the free transportation of pupils to and from school, and to schools; in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. In any ~~special or independent~~ school district, the board shall arrange for the attendance of all pupils living two miles or more from the school, through suitable provision for transportation or ~~for~~ through the boarding and rooming of ~~such~~ the pupils as who may be more economically and conveniently provided for by ~~such~~ that means. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of school children and any other matter relating thereto shall be within the sole discretion, control and management of the school board. The district is ~~authorized to~~ may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by ~~such~~ that means or who attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 2. Minnesota Statutes 1980, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] Transportation or board of resident *elementary* pupils who reside one mile or more from the public schools which they could attend; ~~or; transportation or board of resident secondary pupils who reside two miles or more from the public schools which they could attend;~~ transportation to, from, or between the schools ~~they~~ the resident pupils attend pursuant to a program approved by the commissioner of education; ~~or; transportation of resident elementary pupils who reside one mile or more from a private nonpublic school actually attended;~~ transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) [OUTSIDE DISTRICT.] Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district

and shall receive board and lodging in or transportation to and from a eistrict having a classified secondary school at the expense of the district of the pupil's residence;

(3) [SECONDARY VOCATIONAL CENTERS.] Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) [HANDICAPPED.] Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils *from home or from school during the school day* to other buildings, *including hospitals and treatment centers where special instruction or services required by section 120.17 are provided*, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that the pupil reside at least one mile from school in order for the transportation to qualify for aid;

(5) [BOARD AND LODGING: NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) [FARIBAULT STATE SCHOOLS.] Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-sav- ing school;

(8) [SUMMER SCHOOL.] Services described in clauses (1) to (7) and clauses (9) and (10) when provided in conjunction with a state board approved summer school program;

(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 3. Minnesota Statutes 1980, Section 124.225, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms

defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) ~~Beginning with the 1980-1981 school year,~~ "Region" means development region as defined in section 462.384, subdivision 5, except that for purposes of this section, development regions 1 and 2 are one region, development regions 4 and 5 are one region, development regions 6E and 6W are one region, and development regions 7E and 7W are one region.

(c) "Total authorized cost" or "total authorized expenditure" means the sum of:

(i) all expenditures for transportation for which aid is authorized in section 124.223, plus

(ii) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12-1/2 percent per year of the cost of the fleet, plus

(iii) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33-1/3 percent per year of the cost to the district of the reconditioning.

(d) "Total authorized predicted cost" means the total authorized cost predicted by a multiple regression formula determined by the department of education.

~~(e) For the 1979-1980 school year, "regular and summer school authorized FTE's transported" means full time equivalent pupils transported under section 124.223, clause (1), during the regular school year and in conjunction with a state board approved summer school program.~~

~~(f)~~ (e) "Transportation category" means a category of transportation service provided to pupils. Each category includes transportation provided during the regular school year and in conjunction with a state board approved summer school program. For purposes of this section, transportation categories are as follows:

(i) Regular transportation is transportation services provided under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1);

(ii) Secondary vocational center transportation is transportation services provided under section 124.223, clause (3);

(iii) Handicapped transportation is transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;

(iv) Board and lodging is services provided, in lieu of transportation, under section 124.223, clauses (4) and (5);

(v) Between-schools transportation is transportation services between schools provided under section 124.223, clause (1);

(vi) Shared time regular transportation is transportation services provided

under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;

(vii) Shared time special education transportation is transportation services for pupils attending shared time special education classes provided under section 124.223, clause (6);

(viii) To and from board and lodging facility transportation is transportation services to and from board and lodging facilities provided under section 124.223, clauses (4) and (7);

(ix) Cooperative academic and vocational transportation is transportation services provided under section 124.223, clause (9);

(x) Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10);

(g)(f) "Pupil weighting factor" means the ratio of the actual regional average cost per FTE in a particular transportation category to the actual regional average cost per FTE in the regular transportation category.

(h)(g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(i)(h) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services and health services. A mobile unit located off non-public school premises is a neutral site as defined in section 123.932, subdivision 9.

Sec. 4. Minnesota Statutes 1980, Section 124.225, Subdivision 1a, is amended to read:

Subd. 1a. [WEIGHTING FACTORS.] For the ~~1980-1981~~ *each* school year ~~and thereafter~~, in computing transportation aid, the department of education shall establish the pupil weighting factors for each transportation category for each region using transportation cost data for the second prior school year. The department shall use the statewide pupil weighting factor for any transportation category for which a region had no experience during the second prior school year.

Sec. 5. Minnesota Statutes 1980, Section 124.225, Subdivision 3, is amended to read:

Subd. 3. [FORMULA.] For the ~~1980-1981~~ *each* school year, the state shall pay to each school district for all pupil transportation and related services for which the district is authorized by law to receive state aid an amount determined according to this section. A multiple regression formula shall be determined through stepwise multiple regression analysis for each region by the department of education, using the terms specified in subdivision 4a, to maximize the amount of variance accounted for between the total actual authorized cost per weighted FTE for the ~~1978-1979~~ *second preceding* school year and the total authorized predicted cost per weighted FTE for the ~~1978-1979~~ *second preceding* school year. The formula determined for each region shall be used to determine a total authorized predicted cost per weighted FTE for the ~~1978-1979~~ *second preceding* school year for each district in the region. The amount determined for each district shall be adjusted according to the provisions of

subdivisions 6 and 7a.

Sec. 6. Minnesota Statutes 1980, Section 124.225, Subdivision 4a, is amended to read:

Subd. 4a. [FORMULA TERMS.] To predict the total authorized cost per weighted FTE for each district ~~beginning in the 1980-1981 school year~~ pursuant to subdivision 3, each regional multiple regression formula shall use the following terms and their squares for each district in the region:

- (1) The area of the district measured in square miles;
- (2) The district's average daily membership;
- (3) The total number of authorized FTE's transported by the district;
- (4) The total number of authorized FTE's transported by the district in the handicapped, shared time special education, and to and from board and lodging facility transportation categories as a percentage of the total number of authorized FTE's transported by the district;
- (5) The number of authorized FTE's transported by the district in the board and lodging transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (6) The number of authorized FTE's transported by the district in the between schools transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (7) The number of authorized FTE's transported by the district in the shared time regular transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (8) The number of authorized FTE's transported by the district in the secondary vocational center transportation category as a percentage of the total number of authorized FTE's transported by the district;
- (9) The number of authorized FTE's per square mile transported by the district in the regular transportation category;
- (10) The number of authorized FTE's per square mile transported by the district in the handicapped transportation category;
- (11) The number of authorized FTE's transported by the district in the regular transportation category as a percentage of the district's average daily membership;
- (12) An index of the district's shape computed by the department of education based on a comparison of the perimeter of the district to the perimeter of a circle with the same square mile area as the district;
- (13) The percentage of the district's square mile area which is classified by the state planning agency as water-covered or marshland;
- (14) The number of 40 acre parcels of land in the district which are contiguous to or intersected by unpaved roads, as a percentage of the number of 40 acre parcels of land in the district which are contiguous to or intersected by any roads, paved or unpaved. The number of 40 acre parcels of each type shall be obtained from the state planning agency;
- (15) The percentage of the district's square mile area which is classified by

the state planning agency as having a slope of land exceeding six percent;

(16) The number of authorized FTE's transported to nonpublic schools by the district in the regular transportation category as a percentage of the total number of authorized FTE's transported by the district in the regular transportation category-;

(17) *The percentage of the district's square mile area which is classified by the state planning agency as extractive.*

Sec. 7. Minnesota Statutes 1980, Section 124.225, Subdivision 6, is amended to read:

Subd. 6. [INFLATION FACTORS.] *The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for 1979-1980 shall be increased by 28 percent. The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for ~~1978-1979~~ 1980-1981 shall be increased by ~~29~~ 25 percent.*

Sec. 8. Minnesota Statutes 1980, Section 124.225, Subdivision 7a, is amended to read:

Subd. 7a. [SOFTENING FORMULA.] (1) Each district's adjusted total authorized predicted cost per weighted FTE determined for ~~the 1980-1981~~ each school year ~~and each year thereafter~~ according to subdivision 6 shall be compared to the total actual expenditure per weighted FTE for authorized transportation for that district for that year to determine the district's aid entitlement per weighted FTE for that year.

(2) If the adjusted total authorized predicted cost per weighted FTE is greater than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted predicted cost per weighted FTE minus 20 percent of the first \$10 of difference between the adjusted total authorized predicted cost per weighted FTE and the actual expenditure per weighted FTE; minus 40 percent of the next \$10; 60 percent of the next \$10; minus 75 percent of the difference which exceeds \$30.

(3) If the adjusted total authorized predicted cost per weighted FTE is less than the district's actual authorized expenditure per weighted FTE, its aid entitlement per weighted FTE shall equal the adjusted total authorized predicted cost per weighted FTE plus 20 percent of the first \$10 of difference between the adjusted predicted cost per weighted FTE and the actual expenditure per weighted FTE; plus 40 percent of the next \$10; plus 60 percent of the next \$10; plus 75 percent of the difference which exceeds \$30.

Sec. 9. Minnesota Statutes 1980, Section 124.225, Subdivision 8a, is amended to read:

Subd. 8a. [AID COMPUTATION.] A district's aid pursuant to this section for ~~the 1980-1981 school year and each school year thereafter~~ shall equal the district's aid entitlement per weighted FTE determined according to subdivision 7a times the total number of authorized weighted FTE's transported in the district in that school year, minus the amount raised by one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year.

Sec. 10. Minnesota Statutes 1980, Section 124.225, Subdivision 8b, is

amended to read:

Subd. 8b. [EXCESS HANDICAPPED AID.] (a) In addition to the amount authorized in subdivision 8a, for ~~the 1980-1981~~ *each* school year, the state shall pay aid for the excess costs of providing transportation for handicapped students as provided in this subdivision to a district where:

- (1) the average daily membership in that year is 2,500 or fewer pupils,
- (2) the total actual authorized expenditures exceed the aid entitlement, and
- (3) the actual authorized expenditure per weighted FTE in the handicapped and board and lodging categories exceeds 140 percent of the aid entitlement per weighted handicapped and board and lodging FTE.

(b) This aid shall equal 80 percent of the difference between:

(1) the *district's* actual authorized ~~expenditure per weighted~~ *expenditures for transporting* handicapped and board and lodging ~~FTE FTE's~~ and

(2) 140 percent of the *district's* aid entitlement ~~per weighted~~ *for transportation of* handicapped and board and lodging ~~FTE FTE's~~.

(3) For purposes of the computation of aid pursuant to this subdivision, the amounts of the actual authorized expenditure and the aid entitlement shall exclude amounts attributable to depreciation. Aid pursuant to this subdivision shall not exceed the difference between the district's total actual authorized expenditures and its total aid entitlement.

Sec. 11. Minnesota Statutes 1980, Section 124.225, Subdivision 9, is amended to read:

Subd. 9. [DISTRICT REPORTS.] Each district shall report to the department before July 1 of each year an estimate for the next school year of the total number of FTE's transported by transportation category and an estimate of the district's total actual authorized transportation expenditure by transportation category. The district's aid shall be determined for purposes of the first three transportation aid payments for the school year using these estimates. ~~Before August 15, 1980, each district shall provide the department with the information for the 1979-1980 school year which the department determines is necessary to compute the district's actual authorized expenditure per FTE for purposes of the computation in subdivision 7 and the district's actual total number of FTE's transported for purposes of the aid computation in subdivision 8. Before August 15, 1981, and each August 15 thereafter year,~~ each district shall provide the department with the information for the preceding school year which the department determines is necessary to compute the district's actual authorized expenditure per weighted FTE for purposes of the computation in subdivision 7a and the district's actual total number of weighted FTE's transported for purposes of the aid computation in subdivision 8a. The district's final transportation aid payment for the school year shall be based on these computations.

Sec. 12. Minnesota Statutes 1980, Section 124.225, Subdivision 11, is amended to read:

Subd. 11. [PAYMENT SCHEDULE THROUGH 1982.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, *for fiscal years through 1982*, the state shall pay to each school

district 30 percent of its estimated school transportation aid entitlement for the fiscal year on or before each of the following dates: August 31, December 31, and March 31. The final aid distribution to each district shall be made on or before October 31 of the following fiscal year.

Sec. 13. Minnesota Statutes 1980, Section 124.225, is amended by adding a subdivision to read:

Subd. 11a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in fiscal year 1983, the state shall pay each school district its estimated school transportation aid entitlement for the fiscal year according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following fiscal year.

Sec. 14. [REPEALER.] Minnesota Statutes 1980, Section 124.225, Subdivisions 2, 4, 5, 7 and 8, are repealed.

Sec. 15. [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. [TRANSPORTATION AID.] For transportation aid there is appropriated:

\$121,096,032.....1982,

\$126,068,514.....1983.

(a)(1) The appropriation for 1982 includes \$10,553,000 for aid for fiscal year 1981 payable in fiscal year 1982 and \$110,193,032 for aid for fiscal year 1982 payable in fiscal year 1982.

(2) The appropriation for 1983 includes \$12,243,448 for aid for fiscal year 1982 payable in fiscal year 1983 and \$113,475,066 for aid for fiscal year 1983 payable in fiscal year 1983.

(b)(1) The appropriation for fiscal year 1982 includes an amount not to exceed \$350,000, payable in fiscal year 1982, for excess handicapped aid for fiscal year 1981, pursuant to Minnesota Statutes 1980, Section 124.225, Subdivision 8b.

(2) The appropriation for fiscal year 1983 includes an amount not to exceed \$350,000, payable in fiscal year 1983, for excess handicapped aid for fiscal year 1982, pursuant to Minnesota Statutes 1980, Section 124.225, Subdivision 8b.

Subd. 3. [CANCELLATION.] Any unexpended balance remaining from the appropriation in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for any purposes indicated is insufficient, the aid for that year shall be prorated among all qualifying districts. The state shall not be obligated for any amounts in excess of the total appropriations in this section.

Sec. 16. [EFFECTIVE DATE.]

The amendment in section 2, clause (1), of this article is effective August 15, 1981.

ARTICLE III

SPECIAL EDUCATION

Section 1. Minnesota Statutes 1980, Section 120.03, is amended by adding a subdivision to read:

Subd. 5. A child with a short-term or temporary physical or emotional illness or disability, as determined by the standards of the state board, is not a handicapped child.

Sec. 2. Minnesota Statutes 1980, Section 120.17, Subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of: (1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child; (2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or (3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian; provided the refusal of a parent or guardian to provide this consent may be overridden by the decision in a hearing held pursuant to clause (d) at the district's initiative after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (c);

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a);

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if after at least one conciliation conference the parent or guardian continues to object to: (1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child; (2) the proposed placement of their child in, or transfer of their child to a special education program; (3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program; (4) the proposed provision or addition of special education services for their child; or (5) the proposed denial or removal of special education services for their child. *At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.*

The hearing shall take place before an impartial hearing officer mutually

agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with his objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45 day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the commissioner by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

- (1) be in writing;
- (2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the commissioner of the basis and reason for the decision;
- (3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;
- (4) state the amount and source of any additional district expenditure necessary to implement the decision; and
- (5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the commissioner within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The commissioner shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The commissioner shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 15. The commissioner may grant specific extensions of time beyond the 30 day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(g) The decision of the commissioner shall be final unless appealed by the parent or guardian or school board to the district court of the county in which the school district in whole or in part is located. The scope of judicial review shall be as provided in chapter 15.

(h) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in his current educational placement and shall not be denied initial admission to school.

(i) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

(j) ~~This subdivision shall expire on June 30, 1981. The department of education shall report to the education committees of the legislature on or before January 1, 1981, on the impact of the amendments made in this subdivision by Laws 1979, Chapter 334 and on the advisability of amending this subdivision to read as it reads in Minnesota Statutes 1978.~~

Sec. 3. Minnesota Statutes 1980, Section 120.17, Subdivision 4, is amended to read:

Subd. 4. [SPECIAL INSTRUCTIONS FOR NON-RESIDENT CHILDREN.] When a school district provides instruction and services outside the district of residence, board and lodging, and any tuition to be paid, shall be paid by the district of residence. ~~Transportation costs shall be paid by the district providing the transportation, and the state shall reimburse the district within the limits provided by law.~~ The tuition rate to be charged for any handicapped child shall be the actual cost of providing special instruction and services to the child including a proportionate amount for capital outlay and debt service but not including any amount for transportation, minus the amount of special aid for handicapped children received on behalf of that child. If the boards involved do not agree upon the tuition rate, either board may apply to the commissioner to fix the rate. The commissioner shall then set a date for a hearing, giving each board at least ten days' notice, and after the hearing the commissioner shall make his order fixing the tuition rate, which shall be binding on both school districts.

When a district provides instruction and services in a day program outside the district of residence, the district of residence shall be responsible for providing transportation. When a district provides instruction and services requiring board and lodging or placement in a residential program outside the district of residence, the nonresident district in which the child is placed shall be responsible for providing transportation. Transportation costs shall be paid by the district responsible for providing transportation and the state shall pay transportation aid to that district.

For the purposes ~~herein~~ of this section, any school district may enter into an

agreement, upon ~~such~~ terms and conditions ~~as may be~~ *which are mutually agreed upon*, to provide special instruction and services for handicapped children. In that event, one of the participating units may employ and contract with necessary qualified personnel to offer services in the several districts; ~~and~~. Each participating unit shall reimburse the employing unit a proportionate amount of the actual cost of providing the special instruction and services, less the amount of state special education aid, which shall be claimed in full by the employing district.

Sec. 4. Minnesota Statutes 1980, Section 120.17, Subdivision 5a, is amended to read:

Subd. 5a. [SUMMER PROGRAMS.] ~~Every~~ A district may provide summer programs for handicapped children living within the district, ~~including and~~ nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7. Prior to March 31 or 30 days after the handicapped child is placed in the district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7, of its intention to provide these programs. Notwithstanding any contrary provisions in subdivisions 6 and 7, the school district providing the special instruction and services shall apply for ~~all state aid for the summer program, including special state education aid pursuant to section 124.32, foundation aid and transportation aid for the summer program.~~ For the purposes of computing ~~foundation aid for these programs, all the summer school revenue allowance as provided in Article I, Section 17, pupils enrolled in these programs shall be construed to be residents of~~ the district of residence ~~and not by the district providing the programs.~~ The unreimbursed actual cost of providing the program for nonresident handicapped children, ~~including the cost of board and lodging,~~ may be billed to the district of the child's residence and shall be paid by the resident district. ~~Transportation costs shall be paid by the district responsible for providing transportation pursuant to subdivision 6 or 7 and transportation aid shall be paid to that district.~~

Sec. 5. Minnesota Statutes 1980, Section 120.17, Subdivision 6, is amended to read:

Subd. 6. [PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.] The responsibility for special instruction and services for a handicapped child temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The school district of residence of ~~such~~ a child shall be the district in which his parent resides, if living, or his guardian, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) *When a child is temporarily placed for care and treatment in a day program located in another district and the child continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation and an appropriate educational program for the child. The district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district.*

~~(b)~~ (c) *When a child is temporarily placed in a residential program for care*

and treatment, the nonresident district in which the child is placed is responsible for providing the instruction ~~shall maintain transportation and an appropriate educational program for such a~~ the child and shall bill the district of the child's residence for the actual cost of providing the program, as outlined in subdivision 4, except that the board, lodging, and treatment costs incurred in behalf of a handicapped child placed outside of the school district of his residence by the commissioner of public welfare or the commissioner of corrections or their agents, for reasons other than for making provision for his special educational needs shall not become the responsibility of either the district providing the instruction or the district of the child's residence.

(e) (d) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim foundation aid for the child as provided by law. ~~Special~~ Transportation costs shall be paid by the district responsible for providing the transportation and the state shall ~~reimburse the pay transportation aid to that district for such costs within the limits provided by law.~~

Sec. 6. Minnesota Statutes 1980, Section 120.17, Subdivision 7, is amended to read:

Subd. 7. [PLACEMENT IN STATE INSTITUTION; RESPONSIBILITY.] Responsibility for special instruction and services for a handicapped child placed in a state institution on a temporary basis shall be determined in the following manner:

(a) The legal residence of such child shall be the school district in which his parent resides, if living, or his guardian;

(b) When the educational needs of such child can be met through the institutional program, the costs for such instruction shall be paid by the department to which the institution is assigned;

(c) When it is determined that such child can benefit from public school enrollment, provision for such instruction shall be made in the following manner:

(1) Determination of eligibility for special instruction and services shall be made by the commissioner of education and the commissioner of the department responsible for the institution;

(2) The school district where the institution is located shall ~~provide be responsible for providing transportation and~~ an appropriate educational program for the child and shall make a tuition charge to the child's district of residence for the actual cost of providing the program;

(3) The district of the child's residence shall pay the tuition and other program costs ~~including the unreimbursed~~ excluding transportation costs and may claim foundation aid for the child. ~~Special Transportation shall be provided by the district providing the education program costs shall be paid by the district where the institution is located and the state shall reimburse such pay transportation aid to that district within the limits provided by law.~~

Sec. 7. Minnesota Statutes 1980, Section 120.17, is amended by adding a subdivision to read:

Subd. 11. [TRANSPORTATION AID AGREEMENTS.] *Notwithstanding*

the provisions of subdivisions 4, 5a, and 6, when a child receives special instruction and services in a day program outside the resident district, the resident district and the nonresident district where the child is placed may enter into an agreement providing for the nonresident district to pay the cost of any particular transportation categories specified in section 124.225, subdivision 1, and claim transportation aid for those categories. In this case, the nonresident district may not obtain any payment from the resident district for the categories covered by the agreement.

Sec. 8. [120.172] [LEGISLATIVE COMMITMENT TO CONCILIATION.]

Subdivision 1. [POLICY STATEMENT.] The legislature finds that conciliation conferences pursuant to section 120.17 serve better than formal hearings to promote communications between parents and school staff and to reach prompt, shared decisions about educational programs for handicapped children. Further, the legislature urges the United States department of education and the United States office of civil rights to acknowledge that the conciliation conference process violates no federal statute or regulation.

Subd. 2. [STATE PLAN.] The state board of education shall not adopt any provision in the state plan for special education which reduces the opportunities for parents and school districts to resolve their differences through conciliation.

Subd. 3. [REPORT.] The Minnesota commissioner of education shall report to the education committees of the legislature before January 1, 1983, on the effect of the procedures required in section 120.17, Subdivision 3b, and on any changes in federal statutes or regulations which would contribute to greater flexibility in the procedures for decisions about educational programs for handicapped children.

Sec. 9. [121.201] [HEARING IMPAIRED EDUCATIONAL SUPPORT SERVICES.]

Subdivision 1. [RESPONSIBILITY OF BOARD.] The state board of education shall coordinate and may pay for support services for hearing impaired persons to assure access to educational opportunities. Services may be provided to adult students who are hearing impaired and (a) have been denied access to educational opportunities because of the lack of support services or (b) are presently enrolled or (c) are contemplating enrollment in an educational program and would benefit from support services. The state board shall also be responsible for conducting inservice training for public and private agencies regarding the needs of hearing impaired persons in the adult education system.

Subd. 2. [SUPPORT SERVICES.] The state board may pay school districts or public or private community agencies for the following support services:

(a) Interpreter services to provide translation for an individual or a group of students; or

(b) Notetaker services to convert spoken language to written language when the student must maintain visual contact with other persons such as an interpreter or instructor.

Subd. 3. [PROGRAMS INCLUDED.] Support services may be provided

for:

- (a) Local school district adult education programs;
- (b) Adult vocational school programs; and
- (c) Avocational education programs sponsored by public or private community agencies.

Sec. 10. [124.273] [LIMITED ENGLISH PROFICIENCY PROGRAMS AID.]

Subdivision 1. [TEACHERS SALARIES.] (a) For the 1981-1982 school year, the department shall pay a school district 70 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 70 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

(b) Beginning in the 1982-1983 school year, and each year thereafter, the department shall pay a school district 65 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 65 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

Subd. 2. [PROHIBITION.] (a) For the 1981-1982 school year, the department of education shall not pay a school district an amount exceeding 70 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

(b) Beginning in the 1982-1983 school year, and each year thereafter, the department of education shall not pay a school district an amount exceeding 65 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

Subd. 3. [PARTICIPATION OF NONPUBLIC SCHOOL PUPILS.] In counting the number of pupils of limited English proficiency for purposes of this section, districts may include pupils of limited English proficiency who attend nonpublic schools in the district. A district which counts those pupils and receives aid pursuant to this section shall offer those pupils the same programs on the same terms that it offers to pupils of limited English proficiency who attend the public school. A program provided for a nonpublic school pupil pursuant to this subdivision shall be provided at a public school or a neutral site as defined in section 123.932, subdivision 9. Nonpublic school pupils served by a district's educational program for pupils of limited English proficiency shall be counted for average daily membership pursuant to Article I, Section 26 of this act.

Subd. 4. [APPLICATION DATES.] (a) A district wishing to receive aid pursuant to this section shall submit an application by October 15, February 15, and June 15 of each year. Aid paid pursuant to this section shall be based on the number of pupils of limited English proficiency enrolled in the district at

the time the district submits its first application or the number of additional such pupils enrolled at the time subsequent applications are submitted.

(b) All applications shall be submitted to the department in the manner prescribed by the commissioner. Each application shall include (1) the number of pupils or additional pupils enrolled who meet the criteria in section 126.262, subdivision 2; (2) the number, dates of hire, full time equivalency, and salaries of essential licensed personnel or additional essential licensed personnel employed in the district's educational program for pupils of limited English proficiency who meet the criteria in section 126.262, subdivision 3; and (3) any other information deemed necessary by the commissioner to implement this section. School districts may submit joint applications for aid pursuant to this section and may share essential instructional personnel employed in educational programs for pupils of limited English proficiency.

Subd. 5. [NOTIFICATION; AID PAYMENTS.] The department shall inform each applicant district of the amount of aid it will receive pursuant to this section within a month after the application deadline, and the department shall pay the aid within 15 days after notifying the district that it will receive aid. Beginning with the 1982-1983 school year, 85 percent of the aid shall be paid within 15 days after the aid notification and the remaining aid to each district shall be paid on or before October 31 of the following school year.

Subd. 6. [RECORDS; AUDIT.] A district which applies for aid pursuant to this section shall maintain records which support the information contained in all of its applications. The commissioner of education may audit these records upon request. A district which receives aid pursuant to this section shall keep such additional records in the manner prescribed by the commissioner to ensure that an educational program for pupils of limited English proficiency is implemented and operated in accordance with sections 126.261 to 126.269.

Subd. 7. [MONEY FROM OTHER SOURCES.] A school district providing a program for pupils of limited English proficiency shall be eligible to receive moneys for these programs from other government agencies and from private sources when these moneys are available.

Sec. 11. Minnesota Statutes 1980, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. (a) *For the 1981-1982 and 1982-1983 school years, the state shall pay to any district for the employment in its educational program for handicapped children the greater of:*

(1) (a) 69 percent of the salary of essential personnel, but this amount shall not exceed \$12,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district; plus

(b) 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; or

(2) 70 65 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel

are employed by a district alone or jointly with another district.

~~(3) A district shall receive aid pursuant to only one clause of clauses (1) and (2) for a school year.~~

(b) Beginning in the 1983-1984 school year and in each year thereafter, the state shall pay to any district for the employment in its educational program for handicapped children 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

Sec. 12. Minnesota Statutes 1980, Section 124.32, Subdivision 1a, is amended to read:

Subd. 1a. [FOUNDATION AID FORMULA ALLOWANCE.] For purposes of this section, the "foundation aid formula allowance" per pupil unit shall be ~~\$1,182 for the 1979-1980 school year, and \$1,265 for the 1980-1981 school year~~ have the meaning attributed to it in Article I, Section 21, Subdivision 1 of this act, and "summer school revenue allowance" shall have the meaning attributed to it in Article I, Section 17 of this act. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1, clause (1) or (2).

Sec. 13. Minnesota Statutes 1980, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. [CONTRACT SERVICES.] (1) 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 60 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis.

(2) For special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 60 percent of the difference between the amount of the contract and the ~~foundation aid received by summer school revenue allowance of the district for attributable to that pupil pursuant to section 124.20, or a pro rata portion of that foundation aid for a pupil who receives services by such a contract on less than a full time summer school basis. This clause shall be effective for the 1977 summer school and thereafter.~~

Sec. 14. Minnesota Statutes 1980, Section 124.32, Subdivision 5, is amended to read:

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 aid to the resident district *under the provisions of this subdivision. For the regular school year, the aid shall be an amount not to exceed 60 percent of the difference between the instructional costs charged to*

the resident district and the foundation aid formula allowance ~~in the resident district~~, for each handicapped child placed in a residential facility. *For summer school programs, the aid for each handicapped child placed in a residential facility shall be an amount not to exceed 60 percent of the difference between the instructional costs charged to the resident district and the summer school revenue allowance in the resident district attributable to that child.* No aid shall be paid pursuant to this subdivision for tuition charged a resident district pursuant to section 120.17, subdivision 7a, for a child placed at the Minnesota school for the deaf or the Minnesota braille and sight-saving school.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by the state or public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children within the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children within the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 15. Minnesota Statutes 1980, Section 124.32, Subdivision 6, is amended to read:

Subd. 6. [FULL STATE PAYMENT.] 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 treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following ~~such the procedure as requested specified~~ by the commissioner of education ~~a, the district providing instruction and services for such handicapped child~~ may bill the state the actual cost incurred in providing ~~said the 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 the child; such action pursuant to limits.~~ *The limit set forth in subdivision 4 shall apply to aid paid pursuant to this subdivision.*

To the extent possible, the commissioner shall obtain reimbursement from another state for the cost of serving any child whose parent or guardian resides in that state. The commissioner may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasury and placed in the general fund.

Sec. 16. Minnesota Statutes 1980, Section 124.32, Subdivision 9, is amended to read:

Subd. 9. Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, *for school years through 1981-1982, 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 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following year.*

Sec. 17. Minnesota Statutes 1980, Section 124.32, is amended by adding a subdivision to read:

Subd. 9a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in school year 1982-1983, the state shall pay each school district its estimated special education aid for the school year according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following school year.

Sec. 18. Minnesota Statutes 1980, Section 126.262, Subdivision 8, is amended to read:

Subd. 8. "Educational program for *pupils of limited English proficient students proficiency*" means an English as a second language program, bilingual education program, or both an English as a second language and a bilingual education program.

Sec. 19. Minnesota Statutes 1980, Section 126.54, Subdivision 1, is amended to read:

Subdivision 1. [GRANTS; PROCEDURES.] For fiscal year ~~1984~~ years 1982 and 1983, the state board of education shall make grants to no fewer than six school year ~~pilot~~ American Indian language and culture education programs. At least three ~~pilot~~ programs shall be in urban areas and at least three shall be on or near reservations. The board of a local district, a participating school or a group of boards may develop a proposal for grants in support of ~~pilot~~ American Indian language and culture education programs. Proposals may provide for contracts for the provision of program components by non-sectarian nonpublic, community, tribal or alternative schools. The state board shall prescribe the form and manner of application for grants, and no grant shall be made for a proposal not complying with the requirements of sections 126.45 to 126.55. The state board shall submit all proposals to the state advisory task force on American Indian language and culture education programs for its recommendations concerning approval, modification, or disapproval and the amounts of grants to approved programs.

Sec. 20. [REPEALER.]

Minnesota Statutes 1980, Sections 120.17, Subdivision 3c; 126.263; 126.268, Subdivision 1; and 126.52, Subdivision 12, are repealed.

Sec. 21. [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. [SPECIAL EDUCATION AID.] For special education aid, there is appropriated:

\$95,602,130. . . . 1982,

\$98,719,770. . . . 1983.

The appropriation for 1982 includes \$8,670,700 for aid for fiscal year 1981 payable in fiscal year 1982, and \$86,931,430 for aid for fiscal year 1982

payable in fiscal year 1982.

The appropriation for 1983 includes \$9,659,050 for aid for fiscal year 1982 payable in fiscal year 1983 and \$89,060,720 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [SUMMER SCHOOL SPECIAL EDUCATION AID.] For special education aid for summer school programs there is appropriated:

\$4,500,000. . . . 1982,

\$4,887,000. . . . 1983.

Subd. 4. [RESIDENTIAL FACILITIES AID.] For aid pursuant to section 124.32, subdivision 5, there is appropriated:

\$ 578,000. . . . 1982,

\$ 630,600. . . . 1983.

Subd. 5. [LIMITED ENGLISH PROFICIENCY PUPILS PROGRAM AID.] For aid to educational programs for pupils of limited English proficiency there is appropriated:

\$3,025,200. . . . 1982,

\$3,354,880. . . . 1983.

Subd. 6. [AMERICAN INDIAN LANGUAGE AND CULTURE PROGRAM AID.] For grants to American Indian language and culture education programs pursuant to section 126.54, subdivision 1, there is appropriated:

\$ 525,000. . . . 1982,

\$ 446,250. . . . 1983.

The appropriation for 1982 is 100 percent of grant aid for fiscal year 1982, payable in fiscal year 1982.

The appropriation for 1983 is 85 percent of grant aid for fiscal year 1983, payable in fiscal year 1983.

Subd. 7. [HEARING IMPAIRED SUPPORT SERVICES AID.] For payment of support services for hearing impaired persons pursuant to section 9 of this article, there is appropriated:

\$ 30,000. . . . 1982,

\$ 40,000. . . . 1983.

Subd. 8. [CANCELLATION.] Any unexpended balances remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

Subd. 9. [PRORATION.] If the appropriation amount in subdivisions 2, 3, 4, or 5 of this section 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. 22. [EFFECTIVE DATE.]

Sections 2, 4, 8, 13, and 14 of this article are effective the day following final enactment.

ARTICLE IV

COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1980, Section 124.26, Subdivision 1, is amended to read:

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. The state shall pay these aids 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. 2. Minnesota Statutes 1980, Section 124.26, Subdivision 4, is amended to read:

Subd. 4. [PAYMENT SCHEDULE THROUGH 1982.] *For fiscal years through 1982, 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: August 31, December 31, and March 31. The final aid distribution to each district shall be made on or before by October 31 of the following fiscal year.*

Sec. 3. Minnesota Statutes 1980, Section 124.26, is amended by adding a subdivision to read:

Subd. 5. [PAYMENT SCHEDULE.] *Starting in fiscal year 1983, the state shall pay to each school district its estimated adult education aid entitlement according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following fiscal year.*

Sec. 4. Minnesota Statutes 1980, Section 124.26, is amended by adding a subdivision to read:

Subd. 6. [APPLICATIONS; PRORATION.] *By August 1 of each fiscal year, the commissioner shall approve or disapprove all applications for funding for that year pursuant to subdivision 1 that were received by the preceding June 1, and shall notify the applicant districts of the decision. In any fiscal year when the total amount requested by districts for approved programs exceeds the amount appropriated, the commissioner shall, to the extent possible, fully fund the programs which were approved by August 1, and shall prorate any*

remaining funds among programs which are approved after August 1.

Sec. 5. Minnesota Statutes 1980, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. ~~In fiscal year 1981 and each year thereafter, In fiscal years 1982 and 1983~~ the state shall pay the greater of ~~75 65~~ cents per capita or ~~\$7,000~~ \$6,100 to each school district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or \$1 per capita reduced by any deduction to the community service levy made pursuant to section 275.125, subdivision 9, clause (2), for use in that year.

Sec. 6. Minnesota Statutes 1980, Section 124.271, is amended by adding a subdivision to read:

Subd. 2a. Beginning in fiscal year 1984, each district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied pursuant to section 275.125, subdivision 8, shall receive in state aid the greater of the following:

(a) \$5 per capita minus the amount raised by .9 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year; or

(b) 75 cents per capita; or

(c) \$7,000.

However the amount of aid shall not exceed the amount certified pursuant to section 275.125, subdivision 8. For purposes of computing the aid limitation pursuant to this subdivision, the amount certified pursuant to section 275.125, subdivision 8, shall not reflect reductions pursuant to section 275.125, subdivision 9.

Sec. 7. Minnesota Statutes 1980, Section 124.271, Subdivision 4, is amended to read:

Subd. 4. Each district providing community education programs pursuant to sections 121.85 to 121.88 shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these community education programs. All funds received pursuant to this section and to the levy authorized in section 275.125, subdivision 8, shall be utilized solely for the purposes of community education programs. *These funds may be used to reimburse G.E.D. testing centers for each battery of G.E.D. tests or each individual test administered by that center.*

Sec. 8. Minnesota Statutes 1980, Section 124.271, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT SCHEDULE THROUGH 1982.] All community education programs program aid shall be distributed by the state aids, statistics and research section of the state department of education. *For fiscal years through 1982 aid shall be distributed prior to November 1 each year.*

Sec. 9. Minnesota Statutes 1980, Section 124.271, is amended by adding a subdivision to read:

Subd. 6. [PAYMENT SCHEDULE.] Starting in fiscal year 1983, the state

shall pay to each school district 85 percent of its community education program aid for the current fiscal year by November 1. The final aid distribution to each district shall be made by November 1 of the following fiscal year.

Sec. 10. Minnesota Statutes 1980, Section 275.125, Subdivision 8, is amended to read:

Subd. 8. (1) *In 1981* a district which has established a community education advisory council pursuant to section 121.88, may levy an amount of money raised by the greater of (A) ~~\$2.50~~ \$3.40 per capita, or (B) 110 percent of the amount certified pursuant to this subdivision in ~~1976~~ 1980. These levies shall be used for community services including 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~~ 1980 shall not reflect reductions pursuant to subdivision 9.

(2) *Except as provided in clauses (3) and (4), in 1982, and each year thereafter, a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .9 mill times the most recent adjusted assessed valuation of the district, but no more than \$5 times the population of the district. This amount shall be reduced to \$4.25 per capita for districts which will qualify for aid in fiscal year 1984 equal to 75 cents per capita pursuant to section 124.271, subdivision 2a, clause (b).*

(3) *Districts which received total revenue in fiscal year 1983 from community education aid and levy in excess of \$5 times the population of the district, may levy the amount of the fiscal year 1983 revenue less \$5 times the population of the district in addition to the amount in clause (2).*

(4) *Districts which will qualify for aid pursuant to section 124.271, subdivision 2a, clause (c) may levy the amount of their fiscal year 1983 revenue from community education aid and levy minus \$7,000.*

(2) (5) A school district ~~shall be authorized to make a~~ may levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that the governing boards of the county, municipality and township in which the school district or any part thereof is located have been sent 15 working days written notice of a meeting and that a meeting has been held to discuss methods of increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to ~~make a~~ levy pursuant to this subdivision.

(3) (6) 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. 11. [REPEALER.]

Minnesota Statutes 1980, Sections 124.26, Subdivision 3, and 124.271, Subdivision 1a, are repealed.

Sec. 12. [APPROPRIATIONS.]

Subdivision 1. There is appropriated from the general fund to the depart-

ment 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:

\$1,128,200.....1982,
\$1,242,400.....1983.

The amount appropriated for fiscal year 1982 includes \$97,800 for aid for fiscal year 1981 payable in fiscal year 1982, and \$1,030,400 for aid for fiscal year 1982 payable in fiscal year 1982.

The amount appropriated for fiscal year 1983 includes \$114,500 for aid for fiscal year 1982 payable in fiscal year 1983, and \$1,127,900 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [COMMUNITY EDUCATION AID.] For community education aid, there is appropriated:

\$3,530,000.....1982,
\$3,200,000.....1983.

Subd. 4. [CANCELLATION AND PRORATION.] Any unexpended balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either 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.

ARTICLE V

VOCATIONAL AID

Section 1. Minnesota Statutes 1980, Section 121.902, is amended by adding a subdivision to read:

Subd. 1a. By July 1, 1982, the council shall recommend to the state board uniform property accounting and reporting standards for area vocational-technical institutes. The state board shall adopt and maintain uniform property accounting and reporting standards for area vocational-technical institutes to account and report individual property records for fixed assets. These standards shall include provisions for date of acquisition, historical cost, depreciated value, expected useful life, and replacement cost.

Sec. 2. Minnesota Statutes 1980, Section 121.931, Subdivision 6, is amended to read:

Subd. 6. [DATA STANDARDS.] The state board shall adopt rules containing standards for financial, property, student and payroll/personnel personnel/payroll data and any other data included in ESV-IS. For financial data, the uniform financial accounting and reporting standards adopted pursuant to section 121.902, subdivision 1, shall satisfy the requirement of this subdivision. For property data, the uniform property accounting and reporting standards adopted pursuant to section 1 of this article shall satisfy the requirement of this subdivision. The state board shall consider the recommendations of the advi-

sory task forces on uniform data standards for student reporting and ~~payroll/~~
~~personnel~~ ~~personnel~~/payroll reporting and the ESV computer council in
 adopting the standards for student data and ~~payroll/personnel~~ ~~personnel-~~
 /payroll data. The state board shall ensure that the standards for different types
 of data are consistent with each other, and for this purpose shall consider the
 recommendations of the advisory task forces on uniform data standards for
 student reporting and personnel/payroll reporting, the advisory council on
 uniform financial accounting and reporting standards, and the ESV computer
 council. The data standards for each type of data shall include:

- (a) A standard set of naming conventions for data elements;
- (b) A standard set of data element definitions; and
- (c) A standard transaction processing methodology which uses the defined data elements, specifies mathematical computations on those data elements and specifies output formats.

The state board, with the advice and assistance of the ESV computer council, shall monitor and enforce compliance with the data standards.

Sec. 3. Minnesota Statutes 1980, Section 121.934, Subdivision 7, is amended to read:

Subd. 7. [ADVISORY DUTIES.] (a) Pursuant to section 121.931, the ESV computer council shall advise and assist the state board in:

- (1) the development of the long range plan and the systems architecture plan;
- (2) the development of applications software for ESV-IS and SDE-IS;
- (3) the approval of the creation and alteration of regional management information centers;
- (4) the approval of the use by districts of alternative management information systems;
- (5) the statewide applicability of alternative management information systems proposed by districts; and
- (6) the approval of annual and biennial plans and budgets of regional management information centers; and
- (7) the monitoring and enforcement of compliance with data standards.

(b) The council shall also review the data standards recommended by the council on uniform financial accounting and reporting standards and the advisory task forces on uniform standards for student reporting and personnel/payroll reporting and make recommendations to the state board concerning:

- (1) the consistency of the standards for finance, *property*, student and personnel/payroll data with one another;
- (2) the implications of the standards for implementation of ESV-IS and SDE-IS; and
- (3) the consistency of the standards with the systems architecture plan and the long-range plan.

(c) Pursuant to section 121.932, the council shall advise the department in the development and operation of SDE-IS.

Sec. 4. Minnesota Statutes 1980, Section 121.935, Subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Every regional management information center shall:

(a) Assist its affiliated districts in complying with the reporting requirements of the annual data acquisition calendar and the rules of the state board of education;

(b) Respond within 15 calendar days to requests from the department for information based on the data elements in the data element dictionary;

(c) Operate financial management information systems consistent with the uniform financial accounting and reporting standards for Minnesota school districts adopted by the state board pursuant to sections 121.90 to ~~121.92~~ 121.917;

(d) Make available to districts the opportunity to participate fully in all the subsystems of ESV-IS;

(e) Before July 1, 1981, develop a plan for the provision of services during a system failure or a disaster;

(f) ~~Beginning in 1981,~~ Comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it; and

(g) *Operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards for Minnesota area vocational-technical institutes adopted by the state board pursuant to section 1 of this article.*

Sec. 5. Minnesota Statutes 1980, Section 121.935, Subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts. A district which submits financial transactions to the center in summary form pursuant to section 121.936, subdivision 1, or which uses an approved alternative ~~financial~~ management information system pursuant to section 121.936, subdivisions 2 to 4, may apply to the commissioner to set the fee if the district and the center cannot agree on a fee. The commissioner shall issue an order setting the fee, which shall be binding on both the center and the district.

Sec. 6. Minnesota Statutes 1980, Section 121.936, is amended by adding a subdivision to read:

Subd. 1a. [MANDATORY AVTI PARTICIPATION.] (a) By July 1, 1983, every area vocational-technical institute shall perform property accounting and reporting operations on a fixed assets property management accounting and reporting system utilizing fixed assets categories defined in accordance with the uniform property accounting and reporting standards adopted by the state board pursuant to section 1 of this article.

(b) Every area vocational-technical institute shall use the ESV-IS fixed assets property subsystem through the regional management information center to perform property accounting and reporting operations required by clause (a), and to provide data to the center pursuant to the data acquisition calendar.

Sec. 7. Minnesota Statutes 1980, Section 121.936, Subdivision 2, is amended to read:

Subd. 2. [ALTERNATIVE FINANCIAL MANAGEMENT INFORMATION SYSTEMS.] After July 1, 1980 a district may be exempted from the requirement in subdivision 1, clause (b) (2), if it receives the approval of the state board to use an alternative financial management information system. A district permitted before July 1, 1980, to submit its financial transactions in summary form to a regional management information center pursuant to subdivision 1 may continue to submit transactions in the approved form without obtaining the approval of the state board pursuant to this subdivision. *A district may be exempted from the requirement in section 6, clause (b) of this article if it receives the approval of the state board to use an alternative fixed assets property management information system.* Any district desiring to use an alternative management information system shall submit a detailed proposal to the state board, the ESV computer council and the regional management information center with which it is affiliated. The detailed proposal shall include a statement of all costs to the district, regional management information center or state for software development or operational services needed to provide data to the regional management information center pursuant to the data acquisition calendar.

Sec. 8. Minnesota Statutes 1980, Section 121.936, Subdivision 3, is amended to read:

Subd. 3. [ALTERNATIVE FINANCIAL MANAGEMENT INFORMATION SYSTEMS; EVALUATION.] The regional management information center shall evaluate the district proposal according to the approval criteria in section 121.937, subdivision 1. The regional management information center shall submit its evaluation of the district proposal to the state board and the ESV computer council for their consideration in evaluating the proposal.

The ESV computer council shall evaluate the district proposal ~~for cost effectiveness and conformance to the systems architecture plan, the long range plan, and the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92 according to the approval criteria in section 121.937, subdivision 1, clauses (a), (b), and (d).~~ Upon completion of the evaluation, the ESV computer council shall recommend to the state board that it (a) approve the proposal, (b) disapprove the proposal, or (c) approve the proposal if it is modified by the district in ways which are specified by the council.

Sec. 9. Minnesota Statutes 1980, Section 121.937, Subdivision 1, is amended to read:

Subdivision 1. The criteria adopted by the state board for approval of the creation of a regional management information center, the transfer of a school district's affiliation from one regional management information center to another, and the approval of an alternative management information system shall include:

- (a) The provisions of the plans adopted by the state board pursuant to section 121.931, subdivisions 3 and 4;
- (b) The cost effectiveness of the proposed center, transfer or alternative;
- (c) The effect of the proposed center, transfer or alternative on existing

regional management information centers; and

(d) Whichever of the following is applicable:

(i) The ability of a proposed center to comply with section 121.935, or the effect of a transfer on a center's ability to comply with section 121.935, or

(ii) The ability of a proposed alternative *financial* management information system to comply with section 121.936, subdivision 1, clauses (a) and (b) (1),
or

(iii) *The ability of a proposed alternative fixed assets property management information system to comply with section 121.936, subdivision 1, clause (b) (1), and section 6, clause (a) of this article.*

Sec. 10. Minnesota Statutes 1980, Section 121.938, Subdivision 2, is amended to read:

Subd. 2. Each task force shall report to the legislature, by ~~January 1~~ *September 1*, 1981, recommendations for broad policy standards for school district reporting of student data or ~~payroll/personnel~~ *personnel/payroll* data. Each task force shall recommend to the ESV computer council and the state board specific data standards for student data or personnel/payroll data. These data standards shall be consistent with the uniform financial accounting and reporting standards *and the uniform property accounting and reporting standards* adopted by the state board pursuant to sections 121.90 to ~~121.92~~ *121.917*.

Sec. 11. Minnesota Statutes 1980, Section 124.11, Subdivision 2a, is amended to read:

Subd. 2a. *(a) Through the 1981-1982 school year, ninety percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month beginning in July 1980. A final payment of the remainder of the post-secondary vocational instructional aid for each fiscal year shall be made to each district in September of the following fiscal year. The September 1980 payment shall be adjusted to reflect any deficit or excess in post-secondary vocational foundation aid received by a district in fiscal year 1980. The September 1981 final payment and the September final payment in each year thereafter shall be adjusted to reflect the actual average daily membership for the previous fiscal year. Beginning with the 1980-1981 school year, 90 percent of The estimated post-secondary vocational instructional aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in September, December, March and June November, February and May to reflect any increases or decreases in enrollment. The ten percent final payment, adjusted to reflect the actual average daily membership, shall be made to each district in September of the following fiscal year.*

(b) Beginning in the 1982-1983 school year, eighty-five percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The 15 percent final

payment, adjusted to reflect the actual average daily membership, shall be made to each district in September of the following fiscal year.

Sec. 12. Minnesota Statutes 1980, Section 124.11, Subdivision 2b, is amended to read:

Subd. 2b. *(a) Through the 1981-1982 school year, post-secondary vocational supply aid and support services aid shall be paid to districts in equal installments on or before August 1, November 1, February 1, and May 1 of each year. Eighty percent of post-secondary vocational ~~capital expenditure~~ equipment aid and repair and betterment aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational ~~capital expenditure~~ equipment aid and repair and betterment aid shall be paid to districts on or before May 1 of each year.*

(b) Beginning in the 1982-1983 school year, the state shall pay to districts 25 percent of post-secondary vocational supply aid and support services aid by August 1, 20 percent by November 1, 20 percent by February 1, and 20 percent by May 1 of each school year. Eighty-five percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts by August 1 of each year. The 15 percent final aid distribution shall be paid to districts by October 31 of the following school year.

Sec. 13. Minnesota Statutes 1980, Section 124.11, Subdivision 2c, is amended to read:

Subd. 2c. Additional post-secondary vocational supply aid, support services aid ~~and capital expenditure~~, *equipment aid, and repair and betterment aid* may be distributed on or before May 1 of each year if it is apportioned at a consolidated public hearing held before February 15 of that year pursuant to section 124.561, subdivision 3a.

Sec. 14. Minnesota Statutes 1980, Section 124.561, Subdivision 2a, is amended to read:

Subd. 2a. [BUDGETS; ALLOCATIONS.] Before ~~January 1, 1980 and~~ January 1 of each year ~~thereafter~~, each post-secondary vocational technical school shall submit to the state board for vocational education budgets for supplies, support services, ~~and capital expenditures~~ *equipment, and repair and betterment* for the following fiscal year as prescribed in sections 124.5622, 124.5623, ~~and~~ 124.5624, ~~and section 30 of this article.~~ The state board for vocational education shall authorize the allocations of post-secondary vocational supply aid, support services aid, ~~and capital expenditure~~ *equipment aid, and repair and betterment aid* for each district prior to June 1 of each year after a consolidated public hearing held pursuant to subdivision 3a. No district shall increase its operating deficit for post-secondary vocational education during any fiscal year. The state board for vocational education shall promulgate rules which establish the criteria for allocations of post-secondary vocational supply aid, support services aid, ~~and capital expenditure~~ *equipment aid, and repair and betterment aid.* ~~By October 15, 1979,~~ The commissioner, in cooperation with the department of finance, shall establish standards by which post-secondary vocational-technical schools shall submit separate financial requests for post-secondary vocational supply aid, support services aid, ~~and capital expenditure~~ *equipment aid, and repair and betterment aid.*

Sec. 15. Minnesota Statutes 1980, Section 124.561 is amended by adding a

subdivision to read:

Subd. 2b. [COMPONENT ACTIVITIES.] For the purposes of post-secondary vocational aid allocations "component activities" shall include: regular instruction; related instruction; special needs instruction; research; instructional administration; media/library; pupil personnel services; health services; director's office; institutional services; fixed costs; work study; physical plant; and repair and betterment.

Sec. 16. Minnesota Statutes 1980, Section 124.561, Subdivision 3a, is amended to read:

Subd. 3a. [HEARING.] The consolidated public hearing held by the state board pursuant to subdivision 2a shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. ~~In 1980 and~~ Each year thereafter the state board shall authorize the allocations of post-secondary vocational supply aid, support services aid and ~~capital expenditure, equipment aid, and repair and betterment~~ aid for the following fiscal year at this hearing. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school budget, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed allocations of aids to the education committees of the legislature and to any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the final proposed allocations of aids. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the final proposed allocations. The report shall be available to all affected school districts upon request for at least 15 days before the state board takes final action allocating aids. Any district which is adversely affected by the final proposed allocations of aids may demand and shall be given an opportunity to be heard in support of modification of the proposed allocations of aids at the meeting at which the state board takes final action allocating aids; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.

Sec. 17. Minnesota Statutes 1980, Section 124.561, is amended by adding a subdivision to read:

Subd. 5. [DISTRIBUTION OF MONEYS.] All moneys, whether state, federal, or from other sources, which may be made available to the department of education for carrying out the purposes of post-secondary vocational-technical education shall be apportioned by the state board for vocational education to the various school districts in accordance with law and shall be distributed by the state aids section of the state department of education. State board approval shall not be required for the adjustment of average daily

membership, pursuant to section 124.11, subdivision 2a.

Sec. 18. Minnesota Statutes 1980, Section 124.561, is amended by adding a subdivision to read:

Subd. 6. [ACCOUNTING.] Each district providing post-secondary vocational-technical education programs shall establish and maintain, in accordance with section 121.908, separate revenue, expenditure, asset and liability accounts related to these post-secondary vocational-technical education programs within funds separate from all other district funds. All post-secondary vocational aids and all tuition authorized by section 124.565 shall be utilized solely for the purposes of post-secondary vocational-technical education programs.

Sec. 19. Minnesota Statutes 1980, Section 124.5621, Subdivision 2, is amended to read:

Subd. 2. "Post-secondary vocational instructional aid" means state funds exclusive of post-secondary vocational ~~capital expenditure~~ *equipment aid, repair and betterment aid*, supply aid, support services aid and debt service aid paid by the state board for vocational education to local school districts for instructional programs. Post-secondary vocational instructional aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 20. Minnesota Statutes 1980, Section 124.5621, Subdivision 5, is amended to read:

Subd. 5. [INSTRUCTIONAL PROGRAM.] "Instructional program" means a post-secondary vocational-technical occupational program as classified with a six-digit number by the ~~federal office~~ *United States department of education*, excluding special needs programs and related instruction.

Sec. 21. Minnesota Statutes 1980, Section 124.5621, Subdivision 6, is amended to read:

Subd. 6. [INSTRUCTIONAL PROGRAM COSTS.] "Instructional program cost" means the actual expenditures in the base year for an instructional program at an AVTI. These actual expenditures shall be computed as follows:

- (1) instructional salaries; plus
- (2) instructional employee fringe benefits, excluding teachers' retirement and teachers' social security; plus
- (3) expenditures for instructional staff travel for instructional and professional development purposes; plus
- (4) expenditures for purchased services for instructional purposes; plus
- (5) *instructional* expenditures for student activities; plus
- (6) other instructional expenditures detailed according to the uniform financial accounting and reporting system, not including any expenditures for supplies and equipment; minus
- (7) other instructional revenues detailed according to the uniform financial accounting and reporting system, including student activity fees but not including any revenues from the sale of supplies and equipment.

These actual expenditures shall not include any expenditures or revenues which are included in the AVTI's budgets for post-secondary vocational supply aid, support services aid or ~~capital expenditure~~, *equipment aid, or repair and betterment aid.*

Sec. 22. Minnesota Statutes 1980, Section 124.5621, Subdivision 12, is amended to read:

Subd. 12. [INSTRUCTIONAL AID FORMULA.] ~~In the 1981 fiscal year and each fiscal year thereafter~~, each district which operates an AVTI shall receive post-secondary vocational instructional aid computed according to the following formula:

- (a) The instructional program allowance for that AVTI in the base year, multiplied by
- (b) The AVTI staff compensation weighting for that AVTI, multiplied by
- (c) ~~47~~ *119* percent, multiplied by
- (d) The student growth or decline factor for that AVTI.

Sec. 23. Minnesota Statutes 1980, Section 124.5622, Subdivision 3, is amended to read:

Subd. 3. [POST-SECONDARY VOCATIONAL SUPPLY AID.] "Post-secondary vocational supply aid" means state funds, exclusive of post-secondary vocational ~~capital expenditure~~ *equipment aid, repair and betterment aid*, instructional aid, support services aid and debt service aid, apportioned by the state board for vocational education to local districts for the costs of ~~rents and leases~~;

- (a) supplies and materials; ~~and~~;
- (b) supplies for resale; ~~and~~
- (c) *rents and leases, excluding those of buildings for school purposes, computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment,*

for all instructional programs and support services including related instruction and special needs programs. Post-secondary vocational supply aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 24. Minnesota Statutes 1980, Section 124.5622, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; SUPPLY AID ALLOCATION.] Each AVTI shall submit a budget ~~before January 1, 1980 and before January 1 of each year thereafter~~ detailing estimated costs for the following fiscal year *in each applicable component activity of the AVTI's operations* for each of the following expenditure categories: rents and leases, supplies and materials, and supplies for resale, for all instructional programs and support services including related instruction and special needs programs. Each budget shall also include anticipated revenues from the sales of supplies and services. A budget submitted pursuant to this section shall not include any expenditures or revenues which are included in the computation of the AVTI's budgets for post-secondary vocational support services aid or ~~capital expenditure~~, *equipment aid, or*

repair and betterment aid. The department of education shall recommend an allocation of supply aid *in each component activity* for each of the expenditure categories and a total allocation of supply aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department for the distribution of supply aid, authorize an allocation of supply aid for each AVTI, and detail recommended levels of spending *in each component activity* for each expenditure category through the consolidated public hearing process prescribed in section 124.561, subdivision 3a.

Sec. 25. Minnesota Statutes 1980, Section 124.5622, Subdivision 5, is amended to read:

Subd. 5. [REPORT.] Before ~~August 1, 1980, and before~~ August 1 of each ~~subsequent~~ year, the commissioner shall issue a report on the supply aid allocation to each AVTI. This report shall include recommended aid allocations *in each component activity* for each expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. This report shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 26. Minnesota Statutes 1980, Section 124.5623, Subdivision 3, is amended to read:

Subd. 3. "Post-secondary vocational support ~~service services aid~~" means state and federal funds, exclusive of post-secondary vocational ~~capital expenditure~~ *equipment aid, repair and betterment aid, supply aid, instructional aid and debt service aid*, apportioned by the state board for vocational education to local school districts for the costs of support services, including related instruction and special needs programs, enumerated in subdivision 4. Post-secondary vocational support services aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 27. Minnesota Statutes 1980, Section 124.5623, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; SUPPORT SERVICES ALLOCATION.] Each AVTI shall submit a budget before ~~January 1, 1980, and before~~ January 1 of each year ~~thereafter~~ detailing the estimated costs for the following fiscal year ~~for all support services, including related instruction and special needs programs. These costs shall include in each applicable component activity of the AVTI's operations for each of the following expenditure categories:~~ expenditures for support services personnel salaries, travel and fringe benefits, excluding teachers' retirement and teachers' social security; expenditures for other purchased services; and other support ~~service services~~ expenditures, ~~for all support services, including related instruction and special needs programs.~~ Each budget shall also include all other anticipated support ~~service services~~ revenues. A budget submitted pursuant to this section shall not include any expenditures for or revenue from the sale of supplies and equipment. A budget submitted pursuant to this section shall not include any expenditures or revenues which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational supply aid ~~or capital expenditure, equipment aid, or repair and betterment aid.~~ The department of education shall recommend an allocation of support services aid *in each component activity* for each of the expenditure categories and a total

allocation of support services aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of support services aid for each AVTI, and detail recommended levels of spending in *each component activity* for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. No aid shall be allocated for any special vocational systemwide support service project or program, excluding regional special needs programs. The estimated amount of each AVTI's net positive unappropriated general fund balance, as of June 30 of the fiscal year during which allocations are made, which exceeds 15 percent of the AVTI's operating expenditures, as defined by the uniform financial accounting and reporting system, for the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations. *The estimated amount of each AVTI's tuition revenues for the year in which the aid is paid may be taken into account by the state board in making these allocations.*

Sec. 28. Minnesota Statutes 1980, Section 124.5623, Subdivision 5, is amended to read:

Subd. 5. Before ~~August 1, 1980~~ and before August 1 of each subsequent year, the commissioner shall issue a report on the support services aid allocation to each AVTI. This report shall include the recommended aid allocation in *each component activity* for each support services expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. The fund balances and *estimated tuition revenues* used by the state board in determining the support services aid allocations shall be included. This report shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 29. Minnesota Statutes 1980, Section 124.5624, is amended to read:

124.5624 [POST-SECONDARY VOCATIONAL CAPITAL EXPENDITURE EQUIPMENT AID.]

Subdivision 1. For the purposes of this section, the words, terms and phrases defined in subdivisions 2 and 3 have the meanings ascribed to them.

Subd. 2. "AVTI" means a post-secondary area vocational-technical institute.

Subd. 3. "Post-secondary vocational ~~capital expenditure equipment aid~~" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid and, debt service aid, and *repair and betterment aid* apportioned by the state board for vocational education to local school districts for the purpose of ~~improving or repairing school sites or equipping, re-equipping, repairing or improving buildings and permanent attached fixtures,~~

(a) *acquisition or purchase of equipment or machinery;*

(b) *betterment as defined in section 475.51 of equipment or machinery; and*

(c) *paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment,*

as necessary for the conduct of post-secondary vocational-technical training. Post-secondary vocational ~~capital expenditure~~ *repair and betterment* aid shall

be utilized solely for the purposes enumerated in this section.

Subd. 4. [BUDGETS; EQUIPMENT AID ALLOCATION.] Each AVTI shall submit a budget before January 1, 1980 1982, and before January 1 of each year thereafter detailing estimated costs for the following fiscal year ~~for equipment and other capital expenditures in each applicable component activity of the AVTI's operations for each of the following expenditure categories: acquisition of equipment or machinery, betterment of equipment or machinery and rents and leases,~~ for all instructional programs and support services, including special needs programs and related instruction. Each budget shall also include anticipated revenues from the sale of equipment and other capital goods. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational support services aid ~~or~~ supply aid, ~~or repair and betterment aid.~~ The department of education shall recommend an allocation of ~~capital expenditure equipment aid in each applicable component activity of the AVTI's operations~~ for each of the expenditure categories and a total allocation of ~~capital expenditure equipment aid~~ for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of ~~capital expenditure equipment aid~~ for each AVTI, and detail recommended levels of spending in ~~each component activity~~ for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. ~~The amount of each AVTI's estimated net positive unappropriated capital expenditure fund balance; as of June 30 of the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations.~~

Subd. 5. [APPROVAL.] All ~~capital equipment~~ expenditures for AVTI's in excess of \$4,000 shall receive prior approval by the commissioner. This approval shall be sought and given separately from the budget hearing and aid allocation process.

Subd. 6. [REPORT.] Before August 1, 1980 1982, and before August 1 of each subsequent year, the commissioner shall issue a report on the ~~capital expenditure equipment aid~~ allocation to each AVTI. This report shall include recommended aid allocations ~~in each component activity~~ for each ~~capital expenditure~~ category and an explanation comparing the amount of the authorized ~~capital expenditure equipment aid~~ allocation to the budget submitted for each AVTI. ~~The fund balances used by the state board in determining the capital expenditure aid allocation shall be included.~~

Before August 1, 1980 October 1, 1984, and before August 1 October 1 of each subsequent year, the commissioner shall also report on the ~~equipment inventory of each AVTI, including original cost, current value and estimated remaining useful life a five year projection of the replacement needs of fixed assets property for each of the AVTI's.~~

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 30. [124.5627] [POST-SECONDARY VOCATIONAL REPAIR AND BETTERMENT AID.]

Subdivision 1. For the purposes of this section, the words, terms and phrases

defined in subdivisions 2 and 3 have the meanings ascribed to them.

Subd. 2. "AVTI" means a post-secondary area vocational-technical institute.

Subd. 3. [REPAIR AND BETTERMENT AID.] (a) [DEFINITION.] "Post-secondary vocational repair and betterment aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and equipment aid, apportioned by the state board for vocational education to local school districts for the purpose of reconstruction, improvement, remodeling and repair of the existing AVTI buildings and grounds, and renting or leasing buildings for school purposes, as necessary for the conduct of post-secondary vocational-technical training.

(b) [PROHIBITION.] Post-secondary vocational repair and betterment aid shall be utilized solely for the purposes enumerated in this section. The use of post-secondary vocational repair and betterment aid shall be governed by the provisions of section 121.21, subdivision 4a. Post-secondary vocational repair and betterment aid shall not be utilized for the acquisition or betterment of equipment or machinery.

Subd. 4. [BUDGETS; AID ALLOCATION.] Each AVTI shall submit a budget before January 1, 1982 and before January 1 of each subsequent year detailing estimated costs for the following fiscal year for rents and leases and for each repair and betterment project proposed by the AVTI. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational support services aid, supply aid, or equipment aid. The department of education shall recommend an allocation of repair and betterment aid for rents and leases and for each project proposed by the AVTI as well as a total allocation of repair and betterment aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of repair and betterment aid for each AVTI, and detail recommended levels of spending for rents and leases and for each project proposed by the AVTI, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. The amount of each AVTI's estimated net positive unappropriated capital fund balance, as of June 30 of the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations. The allocation of post-secondary vocational repair and betterment aid by the state board shall not constitute approval of a project by the state board for the purposes of section 121.21, subdivision 4a.

Subd. 5. [REPORT.] Before August 1, 1982 and before August 1 of each subsequent year, the commissioner shall issue a report on the repair and betterment aid allocation to each AVTI. This report shall include recommended aid allocations for rents and leases and for each repair and betterment project proposed by an AVTI and an explanation comparing the amount of the authorized repair and betterment aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the repair and betterment aid allocation shall be included.

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 31. Minnesota Statutes 1980, Section 124.565, Subdivision 3, is

amended to read:

Subd. 3. Tuition at a post-secondary vocational-technical school for a Minnesota resident pupil shall be ~~\$128~~ *the amount per quarter set by the state board for vocational education* for each quarter the pupil is enrolled. *The state board for vocational education shall be exempt from the rulemaking requirements of chapter 15 for setting tuition charges.* A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 32. Minnesota Statutes 1980, Section 124.565, Subdivision 4, is amended to read:

Subd. 4. Unless covered by a higher education reciprocity agreement relating to nonresident tuition, entered into by the Minnesota higher education coordinating board and approved by the state board for vocational education, tuition at a post-secondary vocational-technical school for a pupil who is not a resident of Minnesota shall be ~~\$320~~ *the amount per quarter for each quarter the pupil is enrolled set by the state board for vocational education.* *The state board for vocational education shall be exempt from the rulemaking requirements of chapter 15 for setting tuition charges.* A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 33. Minnesota Statutes 1980, Section 124.565, Subdivision 6, is amended to read:

Subd. 6. [LENGTH OF QUARTER.] For purposes of ~~the~~ tuition charges ~~established in this section~~, a quarter shall consist of 60 school days. The state board for vocational education shall adopt rules providing for proportionate tuition charges for quarters which are shorter or longer than 60 days, for part time and extended day enrollment, and for programs which begin or end during a quarter. The state board shall adopt rules providing for tuition charges based on approved program lengths for programs offered on an individualized basis.

Sec. 34. Minnesota Statutes 1980, Section 124.565, Subdivision 7, is amended to read:

Subd. 7. [VETERAN'S EXEMPTION.] A veteran who is a Minnesota resident shall be exempt from the tuition required by subdivision 3 until the veteran has completed the lesser of (a) ~~360~~ 440 post-secondary vocational-technical school days, or the equivalent as determined by the state board for vocational education, or (b) one post-secondary vocational-technical school program ~~which the veteran began after July 1, 1980.~~

"Veteran" for the purpose of this subdivision means a person who ~~entered served in the~~ active military service in any branch of the armed forces of the United States after July 1, 1961 and before July 1, 1978, was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable. ~~This subdivision shall not apply to a veteran whose tuition is paid for by any federal or state agency.~~

Sec. 35. Minnesota Statutes 1980, Section 124.572, Subdivision 3, is

amended to read:

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved for funding by the ~~state department~~ commissioner of education ~~and~~. Rules shall be adopted by the state board providing criteria to be applied by the commissioner in approving programs for funding pursuant to this section including: economic impact of the program, legislative mandate for the program, employment opportunities in the occupational area, and proven contribution of the program. All programs shall be operated in accordance with rules promulgated by the state board. These rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. Rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.

Sec. 36. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

Subd. 3a. In any fiscal year when moneys requested for programs approved for funding are more than the amount appropriated, the commissioner of education shall, to the extent possible, continue full funding for programs which are approved by July 1 for aid for even numbered years or by the preceding March 1 for aid for odd numbered years. The commissioner shall prorate any remaining moneys among programs which are approved for funding after these dates.

Sec. 37. Minnesota Statutes 1980, Section 124.572, Subdivision 8, is amended to read:

Subd. 8. [PAYMENT SCHEDULE THROUGH 1982.] *Through the 1981-1982 school year, the state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year on or before the following dates: August 31, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids, statistics, and research section of the state department of education.*

Sec. 38. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

Subd. 8a. [PAYMENT SCHEDULE.] Beginning in the 1982-1983 school year, the state shall pay to each school district its estimated adult vocational education aid in the following manner: 30 percent by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be made by October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids section of the department of education.

Sec. 39. Minnesota Statutes 1980, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. In the ~~1978-1979~~ 1981-1982 school year and each year thereafter, the state shall pay to any district or cooperative center ~~50~~ 45 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs.

In addition, the state shall pay ~~50 percent of the costs of necessary equipment for these programs, 50~~ 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, ~~and 50~~ 45 percent of the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes, ~~and 45 percent of the costs of necessary equipment for these programs. No secondary vocational equipment aid shall be paid beginning with the 1982-1983 school year.~~ The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries, equipment and travel which exceeds 100 percent of the amount of its expenditures for salaries, equipment and travel in the program.

Sec. 40. Minnesota Statutes 1980, Section 124.573, Subdivision 3a, is amended to read:

Subd. 3a. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. ~~In the 1978-1979 school year and thereafter,~~ The state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 41. Minnesota Statutes 1980, Section 124.573, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT SCHEDULE THROUGH 1982.] *Through the 1981-1982 school year,* 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. 42. Minnesota Statutes 1980, Section 124.573, is amended by adding a subdivision to read:

Subd. 5a. [PAYMENT SCHEDULE.] *Beginning in the 1982-1983 school year, the state shall pay to each school district and cooperative center its estimated secondary vocational education aid for salaries and travel in the following manner: 30 percent by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be made by October 31.*

of the following school year. All secondary vocational education aids shall be computed and distributed by the state aids section of the department of education.

Sec. 43. Minnesota Statutes 1980, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. (a) ~~In the 1979-1980~~ *For the 1981-1982 and 1982-1983 school year years and thereafter,* the state shall pay to any district or cooperative center ~~70~~ ⁶⁵ percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children.

(b) *Beginning in the 1983-1984 school year and each year thereafter, the state shall pay to any district or cooperative center 70 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children.*

Sec. 44. Minnesota Statutes 1980, Section 124.574, Subdivision 4, is amended to read:

Subd. 4. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. The formula for payment of aids for these contracts ~~in the 1978-1979 school year and thereafter~~ shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Sec. 45. Minnesota Statutes 1980, Section 124.574, Subdivision 8, is amended to read:

Subd. 8. All aid pursuant to this section shall be distributed at the same times and in the same manner as provided in section 124.573, ~~subdivision~~ *subdivisions 5 and 5a.* Aid for supplies shall be distributed at the *same* time as aid for salaries and travel.

Sec. 46. [INSTRUCTIONS TO REVISOR OF STATUTES.]

In accordance with Minnesota Statutes 1980, Section 648.36, in the next edition of Minnesota Statutes, the revisor of statutes shall retitle the headnote of section 124.562 to read "[POST-SECONDARY VOCATIONAL MEMBERSHIP]."

Sec. 47. [REPEALER.]

Minnesota Statutes 1980, Sections 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; and 275.125, Subdivision 14, are repealed.

Sec. 48. [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 INSTRUCTIONAL AID.] For post-secondary vocational instructional aid there is appropriated:

\$53,348,600.....1982,

\$54,759,400.....1983.

The appropriation for 1982 includes \$4,877,300 for aid for fiscal year 1981 payable in fiscal year 1982, and \$48,471,300 for aid for fiscal year 1982 payable in fiscal year 1982.

The appropriation for 1983 includes \$5,385,700 for aid for fiscal year 1982 payable in fiscal year 1983 and \$49,373,700 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [POST-SECONDARY VOCATIONAL SUPPLY AID.] For post-secondary vocational supply aid there is appropriated:

\$15,307,500.....1982,

\$14,828,250.....1983.

Subd. 4. [POST-SECONDARY VOCATIONAL SUPPORT SERVICES AID.] (a) For post-secondary vocational support services aid there is appropriated:

\$16,967,110.....1982,

\$15,191,140.....1983.

The appropriation for 1982 is based on the assumption that the state will spend for this purpose an amount at least equal to \$6,251,400 in fiscal year 1982 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended. The appropriation for 1982 includes \$2,848,000 to be allocated by the state board for special needs instruction.

The appropriation for 1983 is based on the assumption that the state will spend for this purpose an amount at least equal to \$6,251,400 in fiscal year 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended. The appropriation for 1983 includes \$2,629,050 to be allocated by the state board for special needs instruction.

(b) For post-secondary support services aid to pay for implementation of the fixed assets property management accounting and reporting system there is appropriated:

\$ 140,000.....1982.

Any amount remaining from this appropriation at the end of fiscal year 1982 shall not cancel and shall be available in the second year of the biennium.

The amounts appropriated in this subdivision shall not be used for any special vocational systemwide support service program or project.

Subd. 5. [POST-SECONDARY VOCATIONAL EQUIPMENT AID.] For

post-secondary vocational equipment aid there is appropriated:

\$ 9,830,000.....1982,

\$ 9,120,500.....1983.

This appropriation is based on the assumption that the state will spend for the purposes for which post-secondary vocational equipment aid is paid an amount equal to \$500,000 in each fiscal year of the biennium ending June 30, 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 6. [POST-SECONDARY VOCATIONAL REPAIR AND BETTERMENT AID.] *For post-secondary vocational repair and betterment aid there is appropriated:*

\$ 1,400,000.....1982,

\$ 1,190,000.....1983.

Subd. 7. [APPROPRIATION FOR CONTINGENCY FUND.] *For the post-secondary vocational contingency fund there is appropriated:*

\$ 250,000.....1982.

Any amount remaining from this appropriation at the end of fiscal year 1982 shall not cancel and shall be available in the second year of the biennium.

Subd. 8. [POST-SECONDARY VOCATIONAL DEBT SERVICE AID.] *For post-secondary vocational debt service aid there is appropriated:*

\$ 7,731,000.....1982,

\$ 7,600,100.....1983.

Subd. 9. [ADULT VOCATIONAL EDUCATION AID.] *For adult vocational education aid there is appropriated:*

\$ 6,851,900.....1982,

\$ 7,102,000.....1983.

The appropriation for 1982 includes \$707,600 for aid for fiscal year 1981 payable in fiscal year 1982 of which not to exceed \$20,000 is for necessary travel and of which not to exceed \$20,000 is for small business management programs. This amount also includes \$6,144,300 for aid for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$198,000 is for necessary travel.

The appropriation for 1983 includes \$682,700 for aid for fiscal year 1982 payable in fiscal year 1983 of which not to exceed \$22,000 is for necessary travel. This amount also includes \$6,419,300 for aid for fiscal year 1983 payable in fiscal year 1983 of which not to exceed \$212,500 is for necessary travel.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 10. [ENERGY MANAGEMENT FOR BUILDING OPERATORS.] *For the establishment of adult vocational programs in energy management for building operators, there is appropriated:*

\$50,000.....1982,

\$50,000.....1983.

This aid shall be paid in accordance with section 124.572. The entire amount of the appropriation for 1982 is for aid for fiscal year 1982. The appropriation for 1983 includes \$5,550 for aid for fiscal year 1982 payable in fiscal year 1983; and \$44,450 for aid for fiscal year 1983 payable in fiscal year 1983. The department of education may apply for moneys from other sources to fund programs in energy management for building operators.

Subd. 11. [VETERAN FARMER COOPERATIVE TRAINING PROGRAMS.] For veteran farmer cooperative training programs there is appropriated:

\$675,100.....1982,

\$588,900.....1983.

Subd. 12. [SECONDARY VOCATIONAL EDUCATION AID.] For secondary vocational education aid pursuant to section 124.573 there is appropriated:

\$21,979,340.....1982,

\$20,165,060.....1983.

The appropriation for 1982 includes \$2,287,700 for aid for fiscal year 1981 payable in fiscal year 1982 of which not to exceed \$181,600 is for equipment. This amount also includes \$19,691,640 for aid for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$1,547,100 is for equipment.

The appropriation for 1983 includes \$2,187,960 for aid for fiscal year 1982 payable in fiscal year 1983, of which not to exceed \$171,900 is for equipment. This amount also includes \$17,977,100 for aid for fiscal year 1983 payable in fiscal year 1983.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 13. [AID FOR SECONDARY VOCATIONAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN.] For secondary vocational programs for handicapped children pursuant to section 124.574, subdivision 2, there is appropriated:

\$ 2,303,000.....1982,

\$ 2,360,310.....1983.

The appropriation for 1982 includes \$226,900 for aid for fiscal year 1981 payable in fiscal year 1982. This amount also includes \$2,076,100 for aid for fiscal year 1982 payable in fiscal year 1982. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$300,000 in fiscal year 1982 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

The appropriation for 1983 includes \$230,750 for aid for fiscal year 1982 payable in fiscal year 1983. This amount also includes \$2,129,560 for aid for fiscal year 1983 payable in fiscal year 1983. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to

\$300,000 in fiscal year 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 14. [CANCELLATION; PRORATION.] Except as provided in subdivision 4, clause (b), and subdivision 7, any unexpended balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amounts attributable to either year for any purpose indicated are 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. 49. [EFFECTIVE DATES.]

Subdivision 1. Sections 14, 15, 16, 21, 23, 24, 26, 27, 29, 30, 35, and 36 of this article shall be effective the day following final enactment.

Subd. 2. Repair and betterment aid pursuant to section 30 of this article shall be paid to AVTI's starting in fiscal year 1982.

ARTICLE VI

OTHER AIDS AND LEVIES

Section 1. [3.9251] [PROGRAMS FOR HANDICAPPED ADULTS.]

Programs funded by the council on quality education may include programs designed to benefit handicapped adults.

Sec. 2. Minnesota Statutes 1980, Section 3.9278, Subdivision 1, is amended to read:

Subdivision 1. As used in ~~Laws 1979, Chapter 334, Article 7 sections 3.9276 to 3.9279~~, the terms defined in this section have the meanings given them.

Sec. 3. Minnesota Statutes 1980, Section 3.9279, Subdivision 8, is amended to read:

Subd. 8. [ADVISORY TASK FORCE ON EARLY CHILDHOOD AND FAMILY EDUCATION.] The council on quality education shall appoint an advisory task force on early childhood 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, ~~1981~~ 1983.

Sec. 4. Minnesota Statutes 1980, Section 3.9279, Subdivision 10, is amended to read:

Subd. 10. [VOLUNTARY PARTICIPATION.] Participation by parents and children in early childhood and family education programs shall be voluntary and shall not preclude participation in other state or local programs. *To the extent possible, each school district providing early childhood and family education programs shall seek the participation of minority and economically*

disadvantaged persons in the same proportion as these groups are represented in the area served by the program. Upon request, the school districts shall report on the success of these efforts to the council on quality education. No school district shall discriminate in providing early childhood and family education programs on the basis of race, religion, sex or ethnic background, and no programs shall be used in whole or in part for religious worship or instruction.

Sec. 5. Minnesota Statutes 1980, Section 3.9279, Subdivision 12, is amended to read:

Subd. 12. [NEGOTIATED GRANTS.] For the ~~1979-1980~~ 1981-1982 and ~~1980-1981~~ 1982-1983 school years the council on quality education may fund up to 36 early childhood and family education programs according to the negotiated grants procedure in sections 3.924 to 3.927.

Sec. 6. [3.9290] [CITATION.]

Sections 6 to 12 of this article may be cited as the "Minnesota Improved Learning and Principal-Teacher, Counselor-Teacher, and Career Teacher Act".

Sec. 7. [3.9291] [PURPOSE.]

The legislature recognizes the unique and lifelong learning process of all human beings. The legislature is committed to the goal of maximizing the individual growth potential of all students through the secondary schools. The purposes of sections 6 to 12 of this article are:

(a) To offer improved learning programs which emphasize basic and applied learning skills and the liberal arts;

(b) To recognize and utilize the unique skills that teachers, students, family, and the community have in both the teaching process and the learning process; and

(c) To provide an opportunity for maximum use of principals and teachers.

Sec. 8. [3.9292] [PROGRAM SELECTION.]

Subdivision 1. [AUTHORIZATION.] A school district or group of districts that wish to receive moneys for improved learning programs may apply to the state board of education for approval. Programs may be approved for one portion of a school population, an entire school attendance area, several attendance areas, an entire school district, or a group of school districts.

Subd. 2. [APPLICATIONS.] The state board shall prescribe the form and manner of application for the program. The council on quality education may review and advise the state board on applications made for improved learning programs. Beginning in 1982, and each year thereafter, applications shall be submitted to the state board by January 15. If a district wishes to receive aid for the principal-teacher, career teacher or counselor-teacher component of an improved learning program, an application for state aid must be submitted to the state board by January 15. Estimates of salaries and fringe benefits for the next school year and for the additional time beyond the regular contract period for staff to be employed shall be itemized on the application for aid. The board shall notify all applicants of aid approved or denied by March 15 of each year. The board shall approve or deny applications in the order that they are

received.

Subd. 3. [WAIVERS.] The state board may waive school district compliance with its rules which would prevent implementation of an improved learning program which receives approval from the state board. However, individuals participating in the principal-teacher, counselor-teacher, or career teacher program shall maintain their seniority date in the district and all rights under the applicable collective bargaining agreement.

Subd. 4. [ADDITIONAL FUNDING.] A school district providing an improved learning program may receive funds for the program from private sources and governmental agencies, including state or federal funds.

Subd. 5. [REPORT.] The department shall submit a report to the legislature by February 1, 1983, and by February 1 each year thereafter. This report shall include the number and description of programs approved, implementation status of programs approved, waivers granted, and evaluation of programs approved.

Sec. 9. [3.9293] [ADVISORY COUNCIL.]

The school board of a district providing an improved learning program shall appoint an advisory council. Council members shall be selected from the school attendance area in which programs are provided. Members of the council may include students, teachers, principals, administrators and community members. A majority of the members shall be parents with children participating in the local program. The local advisory council shall advise the school board in the development, coordination, supervision, and review of the improved learning program. The council shall meet at least two times each year with any established community education advisory council in the district. Members of the council may be members of the community education advisory council. The council shall report to the school board.

Sec. 10. [3.9294] [PROGRAM CRITERIA.]

Subdivision 1. [MANDATORY COMPONENTS.] A plan for an improved learning program shall include:

(a) Curricula, instructional strategy and use of materials responsive to the individual educational needs and learning styles of each pupil to enable students to make continuous progress and learn at a rate appropriate to their abilities;

(b) A plan to develop student abilities for both learner and teacher in basic skills and applied learning skills and, when appropriate, arts, humanities, physical, natural, and social sciences; multicultural education; physical, emotional, and mental health; consumer economics, and career education;

(c) Plans to make use of community resources and communications media to pursue improved learning opportunities for pupils;

(d) A staff development program for teachers and other school personnel, such as that found in sections 11 and 12 of this article;

(e) A plan to improve the learning environment, including use of the community in general, to enhance the learning process;

(f) A plan for annual and ongoing evaluation of program goals and objec-

tives; and

(g) A plan to involve parents in planning an improved learning program for their children.

Subd. 2. [OPTIONAL COMPONENTS.] A plan for an improved learning program may include:

(a) A principal-teacher and career teacher program as defined in section 11 of this article;

(b) A counselor-teacher program as defined in section 12 of this article;

(c) Cooperative efforts with other agencies involved with human services or child development and development of alternative community based learning experiences;

(d) Apprenticeship post-secondary education components for students who are able to accelerate or programs for students with special abilities and interests who are given advanced learning opportunities within existing programs;

(e) Use of volunteers in the learning program;

(f) Flexible attendance schedules for students;

(g) Adult education component;

(h) Early childhood and family education component;

(i) Variable student/faculty ratios for special education students to provide for special programming;

(j) Inclusion of nonpublic students participating in an improved learning program as part of the ratio in the principal-teacher and career teacher component;

(k) Application of educational research findings;

(l) Summer learning experiences for students as recommended by the principal-teacher and career teacher;

(m) Use of educational assistants, teacher aides or paraprofessionals as part of the improved learning program;

(n) Establishment of alternative criteria for high school graduation; and

(o) Variable age and class size groupings of students.

Sec. 11. [3.9295] [PRINCIPAL-TEACHER AND CAREER TEACHER COMPONENT.]

Subdivision 1. [STATUS.] An improved learning program may include a principal-teacher and career teacher component. The principal-teacher and career teacher shall not be the exclusive teacher for students assigned to him or her but shall serve the function of developing and implementing a student's overall learning program. The principal-teacher and career teacher may be responsible for regular classroom assignments as well as learning programs for other students assigned to him or her.

Subd. 2. [QUALIFICATIONS.] (a) An individual employed as a principal-teacher must be licensed as a principal by the state board of education and

shall be considered a principal as defined in section 179.63, subdivision 14, for purposes of the Public Employment Labor Relations Act.

(b) An individual employed as a career teacher must be licensed as a teacher by the state board of teaching and shall be considered a teacher as defined in section 179.63, subdivision 13, for purposes of the Public Employment Labor Relations Act.

Subd. 3. [STAFF/STUDENT RATIO.] (a) Except as provided in clause (b), one principal-teacher or career teacher shall be assigned for every 125 students. For each special education student included in the assignment, the 1:125 ratio shall be reduced by one.

(b) One principal-teacher shall be assigned for every 50 students when the principal-teacher is also the principal of the school.

Subd. 4. [SELECTION; RENEWAL.] (a) The school board shall establish procedures for teachers and principals to apply for the position of principal-teacher and career teacher. The authority for selection of principal-teachers and career teachers shall be vested in the board and no individual shall have a right to employment as a principal-teacher or career teacher based on seniority or order of employment in the district.

(b) Employment of the principal-teacher and career teacher shall be on a 12 month basis with vacation time negotiated individually with the board. The annual contract of a principal-teacher or career teacher may not be renewed, as the board shall see fit; provided, however, the board shall give any such teacher whose contract as a principal-teacher or career teacher it declines to renew for the following year written notice to that effect before April 15. If the board fails to renew the contract of a principal-teacher or career teacher, that individual shall be reinstated to another position in the district if eligible pursuant to section 125.12 or 125.17.

Subd. 5. [DUTIES.] The principal-teacher and career teacher shall be responsible for:

(a) The overall education and learning plan of students assigned to him or her. This plan shall be designed by the principal-teacher and career teacher with the student, parents, and other faculty, and shall seek to maximize the learning potential and maturation level of each pupil;

(b) Measuring the proficiency of the students assigned to him or her and assisting other staff in identifying pupil needs and making appropriate educational and subject groupings;

(c) When part of the district's plan, taking responsibility for the parent and early childhood education of students assigned to him or her;

(d) Designing and being responsible for program components which meet special learning needs of high potential and talented students; and

(e) Coordinating the ongoing, year-to-year learning program for students assigned to him or her.

Sec. 12. [3.9296] [COUNSELOR-TEACHER COMPONENT.]

Subdivision 1. [STATUS.] An improved learning program may include a counselor-teacher component. The counselor-teacher shall not be the exclusive

teacher with respect to the learning process of students assigned to him or her.

Subd. 2. [QUALIFICATIONS.] An individual employed as a counselor-teacher must be licensed as a counselor by the state board of education and shall be considered a teacher as defined in section 179.63, subdivision 13, for purposes of the Public Employment Labor Relations Act.

Subd. 3. [STAFF/STUDENT RATIO.] One counselor-teacher shall be assigned for every 125 students. For each special education student included in the assignment, the 1:125 ratio shall be reduced by one.

Subd. 4. [SELECTION; RENEWAL.] The annual contract of a counselor-teacher may not be renewed, as the board shall see fit; provided, however, the board shall give any such counselor whose contract for the counselor-teacher it declines to renew for the following year written notice to that effect before April 15. If the board fails to renew the contract of a counselor-teacher, that individual shall be reinstated to another position in the district if eligible pursuant to section 125.12 or 125.17.

Subd. 5. [DUTIES.] The counselor-teacher shall be responsible for providing guidance and counseling services to students assigned to him or her. This includes working with individual students, groups of students and families.

Sec. 13. Minnesota Statutes 1980, Section 123.36, Subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for ~~the~~ outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to Chapter 299F; or

(d) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in clauses (a), (b) and (c) shall be deducted from the levy limitation computed for the levy

authorized in section 33 of this article in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any remaining proceeds of the sale or exchange remaining in these districts of the sale or exchange with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(2) Notwithstanding clause (4) a district with outstanding bonds which sells a building or property in order to purchase a replacement, may apply to the commissioner to place proceeds of the sale in its capital expenditure fund in an amount necessary to purchase the replacement; provided the district places an amount in its debt retirement fund sufficient to meet when due the principal and interest payments for all outstanding bonds on the particular building or property which is sold.

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time he prescribes on the disposition of the proceeds of the sale or exchange.

Sec. 14. Minnesota Statutes 1980, Section 123.702, Subdivision 1, is amended to read:

Subdivision 1. [SCREENING PROGRAM.] Every school board shall provide for a voluntary health and developmental screening program for children once before entering kindergarten. 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.

Subd. 1a. [COMPONENTS.] 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~~, the review of health history and immunization status, ~~laboratory tests~~ and nutritional and physical assessments. *The school board may also provide additional components, including laboratory tests or dental assessments, in the screening program.* All screening components shall be consistent with the standards of the state commissioner of health for early and periodic screening programs. No child shall be required to submit to any component of this screening program to be eligible for any other component.

No screening program shall provide laboratory tests, a health history or a physical examination to any child who has been provided with those laboratory tests or a health history or physical examination within the previous 12 months. The school district shall request the results of any laboratory test, health history or physical examination within the 12 months preceding a scheduled screening clinic.

Sec. 15. Minnesota Statutes 1980, Section 123.703, Subdivision 3, is amended to read:

Subd. 3. [REPORT.] The state board of education, in cooperation with the state commissioner of health, shall report to the legislature by February 1, ~~1980~~, of each year on the results of the screening programs in accomplishing the purposes specified in section 123.701. The report shall include information on the rates of children's participation in screening programs, on districts' costs for implementing the various components of the screening program, and on any exemptions granted from screening requirements because of financial infeasibility.

Sec. 16. Minnesota Statutes 1980, Section 123.705, is amended to read:

123.705 [STATE AID.]

The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed ~~\$25~~ \$28 per child screened in fiscal year ~~1980~~ 1982 and ~~\$27~~ \$29 per child screened in fiscal year ~~1981~~ 1983. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 17. Minnesota Statutes 1980, Section 123.937, is amended to read:

123.937 [APPROPRIATION LIMIT ON DISTRICT OBLIGATIONS.]

There is appropriated annually to the department of education from the general fund of the state treasury the sum of \$3,250,000 for the purposes of sections ~~123.931 to 123.937~~. If this the amount appropriated for purposes of sections 123.931 to 123.937 for any year is not sufficient to make the payments required pursuant to sections 123.931 to 123.937 for that year, the amount necessary to make these payments is appropriated from the general fund to the department of education. The amounts appropriated pursuant to this section for the year ending June 30, 1980 shall not cancel but shall be available for the second year of the biennium then no school district or intermediary service area is required to expend an amount pursuant to sections 123.931 to 123.937 for that year which exceeds the amount of the payments it receives pursuant to sections 123.931 to 123.937 for that year.

Sec. 18. Minnesota Statutes 1980, Section 124.245, Subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) In the ~~1980-1981~~ school year, the state shall pay a school district the difference by which an amount equal to \$80 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$85 per pupil unit in that school year, exceeds the amount raised by ten 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 the 1980-1981 school year, a district must have levied the full ten EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

(b) (a) In the 1981-1982 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this ~~section~~ subdivision in any school year, a district must have levied the full seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

(b) In the 1982-1983 school year and each year thereafter, the aid under clause (a) for any district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program shall be computed using a dollar amount per pupil unit which is \$5 higher than the amount specified in clause (a).

(c) If the sum of a district's capital expenditure levy under section 275.125, subdivision 11a, attributable to any school year starting in 1982-1983 and its capital expenditure equalization aid, if any, under this subdivision for that school year exceeds \$90 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit, the amount of the excess may be expended only for the purpose of capital expenditures for equipment for secondary vocational education programs or senior secondary industrial arts programs.

Sec. 19. Minnesota Statutes 1980, Section 124.245, is amended by adding a subdivision to read:

Subd. 1a. [SPECIAL PURPOSE COMPUTATION.] In the 1982-1983 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$25 per pupil unit exceeds the amount raised by two mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this subdivision in any school year, a district must levy the maximum permissible amount pursuant to section 33 of this article for use in that year. Aid paid pursuant to this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 33 of this article may be used.

Sec. 20. Minnesota Statutes 1980, Section 124.245, Subdivision 2, is amended to read:

Subd. 2. [PUPIL UNITS.] 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). Beginning in the 1980-1981 school year, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), and (2), (4) and (5); provided that notwithstanding the expiration of Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clauses (6) and (7), pupil units identified in those clauses shall also be included for purposes of the computation of capital expenditure aid for the 1980-1981

school year and 98.5 percent of the units identified in Minnesota Statutes 1980, Section 124.17, Subdivision 1, Clauses (4) and (5) for 1980-1981.

Sec. 21. Minnesota Statutes 1980, Section 124.245, is amended by adding a subdivision to read:

Subd. 4. [PAYMENT SCHEDULE.] Starting in 1982-1983, eighty-five percent of a district's capital expenditure equalization aid for each school year shall be distributed prior to November 1 of that school year. The final aid distribution to each district shall be made prior to November 1 of the following school year.

Sec. 22. [124.246] [CHEMICAL USE PROGRAMS.]

Subdivision 1. [ELIGIBILITY AND PURPOSE.] Each school board which adopts a comprehensive policy and procedures to minimize chemical use problems among all pupils in the district, and which submits them to the department of education, shall be eligible for state aid for the following purposes:

- (a) inservice training for public and nonpublic school staff,*
- (b) prevention programs, including curriculum materials,*
- (c) community and parent awareness programs,*
- (d) problem identification programs,*
- (e) referral programs, and*
- (f) aftercare support programs.*

The programs shall be for pupils in public elementary, secondary and area vocational-technical schools and nonpublic elementary and secondary schools, and their parents, teachers and staff.

Subd. 2. [AID.] An eligible district shall receive \$1 for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational-technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$1,000.

Subd. 3. [APPLICATIONS.] A district that is eligible for aid shall apply to the commissioner of education by October 1 of each school year on the form supplied by the commissioner.

Subd. 4. [ASSISTANCE TO DISTRICTS.] The department of education shall:

- (a) provide technical assistance to districts for maintenance and evaluation of prevention programs, for aftercare support programs and for improved relationships with community agencies,*
- (b) provide inservice programs emphasizing identified needs of the districts, and*
- (c) collect information from districts about prevention, awareness, identification, referral, and aftercare support programs.*

Subd. 5. [PAYMENT SCHEDULE.] For the 1981-1982 school year, the state shall pay to each school district 100 percent of its chemical use program.

aid by November 1 of that school year. Beginning in the 1982-1983 school year, and each year thereafter, the state shall pay to each school district 85 percent of its chemical use program aid by November 1 of that school year. The final aid distribution to the district shall be made by November 1 of the following school year.

Sec. 23. Minnesota Statutes 1980, Section 124.247, Subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program an amount equal to ~~\$30~~ \$16.25, in the 1981-1982 school year, and \$17.50 in the 1982-1983 school year, times the number of gifted and talented students in the district. No more than ~~2-1/2~~ 5 percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this subdivision. No more than five percent of the moneys received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.

Sec. 24. [124.251] [STATE AID; IMPROVED LEARNING PROGRAMS.]

A district which establishes, pursuant to sections 6 to 12 of this article, a principal-teacher, counselor-teacher or career teacher component of an improved learning program approved by the state board of education, shall receive state aid for the purpose of this program in an amount equal to the salary and fringe benefits for the number of days each principal-teacher, counselor-teacher or career teacher works beyond the regular contract period. The daily rate paid shall be the contract rate including fringe benefits earned by the principal-teacher, counselor-teacher or career teacher during the year in which the application is submitted. The state board shall not approve applications or pay aids in excess of the state appropriation for this program. In addition, the board shall make an effort to distribute aid as equally as possible between rural, suburban and urban districts. In addition to other aids or moneys, a school district may use summer school foundation revenue to fund an improved learning program.

Sec. 25. Minnesota Statutes 1980, Section 124.562, is amended by adding a subdivision to read:

Subd. 2a. [CHEMICAL TREATMENT PROGRAMS.] *If a pupil is absent from school for the purpose of participating in a chemical abuse treatment program licensed by the state of Minnesota, he may request the school to keep him on the roll in the educational program in which he is enrolled. Upon the pupil's request the school shall keep him on the roll for the educational program in which he is enrolled and that pupil shall be counted in average daily membership, pursuant to section 124.562, subdivision 2, during the period in which he is participating in a treatment program; provided he shall be counted for a period not to exceed 30 consecutive school days. When this pupil returns to school, the school may count additional hours for membership, not to exceed the number of hours for which he was counted while participating in the treatment program or the number of hours per day the pupil is enrolled times 30, whichever is less, if additional hours are needed for the pupil to complete the educational program.*

Sec. 26. Minnesota Statutes 1980, Section 124.646, Subdivision 1, is

amended to read:

Subdivision 1. [AID COMPUTATION.] (a) For the ~~1979-1980~~ 1981-1982 school year, school districts *participating in the national school lunch program* shall be paid by the state in the amount of ~~4-9/10~~ 5.5 cents for each full paid student ~~type "A"~~ lunch served to students in the district. (b) For the ~~1980-1981~~ 1982-1983 school year, school districts *participating in the national school lunch program* shall be paid by the state in the amount of ~~5-3/10~~ 5.9 cents for each full paid student ~~type "A"~~ lunch served to students in the district.

Sec. 27. Minnesota Statutes 1980, Section 134.35, Subdivision 1, is amended to read:

Subdivision 1. [GRANT APPLICATION.] Any regional public library system which qualifies according to the provisions of section 134.34 may apply for an annual grant for regional library basic system support. The amount of each grant for ~~fiscal year 1980 and~~ each fiscal year ~~thereafter~~ shall be calculated as provided in this section.

Sec. 28: Minnesota Statutes 1980, Section 134.351, is amended by adding a subdivision to read:

Subd. 5. [PROPERTY.] All property given, granted, conveyed, donated, devised or bequeathed to, or otherwise acquired by any multi-county multi-type library system board shall vest in, and be held in the name of, the multi-county multi-type library system board. Any conveyance, grant, donation, devise, bequest, or gift made to, or in the name of, any multi-county multi-type library system shall be deemed to have been made directly to the multi-county multi-type library system board.

Sec. 29. Minnesota Statutes 1980, Section 134.351, is amended by adding a subdivision to read:

Subd. 6. [RATIFICATION.] All property heretofore given, granted, conveyed, donated, devised, bequeathed to, or otherwise acquired by any multi-county multi-type library system board is hereby validated, ratified and confirmed as the property of the board.

Sec. 30. Minnesota Statutes 1980, Section 134.351, Subdivision 5, is amended to read:

Subd. 5 7. [REPORTS.] Each multi-county, multi-type system receiving a grant pursuant to section 134.352 or 134.353 shall provide an annual progress report to the department of education. The department shall report before November 15 of each year to the legislature on all projects funded under sections 134.352 and 134.353.

Sec. 31. Minnesota Statutes 1980, Section 134.36, is amended to read:

134.36 [RULES.]

The state board of education shall promulgate rules as necessary for implementation of any provision of ~~Laws 1978, Chapter 546 sections 134.30 to 134.353. Temporary rules may be adopted to implement Laws 1978, Chapter 546 in compliance with the provisions of section 15.0412, subdivision 5, except that these rules may be effective for up to 300 days.~~

Sec. 32. Minnesota Statutes 1980, Section 275.125, Subdivision 11a, is

amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) In 1979, a school district may levy an amount not to exceed the amount equal to \$80 per pupil unit or, in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$85 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), and (5). No levy under this clause in 1979 shall exceed ten 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) (a) In 1980 and Each year thereafter, a school district may levy an amount not to exceed the amount equal to \$90 per pupil unit, or, \$95 per pupil unit in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year, \$95 per pupil unit. In 1980 and each year thereafter, No levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year, notwithstanding the provisions of sections 272.64 and 275.49.

(c) (b) The proceeds of the tax may be used only to acquire land, to equip and reequip re-equip buildings and permanent attached fixtures, to pay leasing fees for computer systems hardware and related proprietary software, and to pay leasing fees for photocopy machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments as required pursuant to section 116H.126, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, including but not limited to 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. The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to section 123.36, subdivision 10.

(d) (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.

(e) (d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(f) The proceeds of the tax shall not be used for custodial or other maintenance services.

(f) Each year, subject to the seven mill limitation of clause (a) of this subdivision, a school district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program may levy an additional amount equal to \$5 per pupil unit for capital expenditures for equipment for these programs.

(g) For purposes of computing allowable levies under this subdivision and section 33 of this article, pupil units shall include those units identified in section 124.17, subdivision 1, clauses (1) and (2), and 98.5 percent of the units identified in Minnesota Statutes 1980, Section 124.17, Subdivision 1, Clauses (4) and (5) for 1980-1981.

Sec. 33. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In 1981 and each year thereafter, in addition to the levy authorized in subdivision 11a, a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to Chapter 299F.

Sec. 34. Minnesota Statutes 1980, Section 375.335, is amended by adding a subdivision to read:

Subd. 4. [PROPERTY.] All property given, granted, conveyed, donated, devised or bequeathed to, or otherwise acquired by any regional library board or any regional public library system board however created shall vest in, and be held in the name of, the regional library board or regional public library system board. Any conveyance, grant, donation, devise, bequest, or gift made to, or in the name of, any regional library or public library system shall be deemed to have been made directly to the regional public library system board.

Sec. 35. Minnesota Statutes 1980, Section 375.335, is amended by adding a subdivision to read:

Subd. 5. [RATIFICATION.] All property heretofore given, granted, conveyed, donated, devised, bequeathed to, or otherwise acquired by any regional library board or any regional public library system board however created is hereby validated, ratified and confirmed as the property of the board.

Sec. 36. Minnesota Statutes 1980, Section 375.335, Subdivision 4, is amended to read:

Subd. 4 6. [RATIFICATION.] Any multicounty regional library heretofore created, and the agreements creating them, are hereby validated, ratified, and confirmed and the benefits of subdivisions 1 to 4 6 shall hereafter apply to ~~said~~ these libraries.

Sec. 37. [INDEPENDENT SCHOOL DISTRICT NO. 256; MAINTENANCE LEVY ADJUSTMENT.]

In 1981 only, Independent School District No. 256, Red Wing, is authorized to levy for school maintenance purposes an amount not to exceed \$620,000 in addition to all other authorized levies. The purpose of this levy is to provide the district with an amount of funds equal to the aid entitlements which were included in the amount by which its 1978 payable 1979 permitted maintenance levy exceeded its actual maintenance levy in that year.

Sec. 38. [GRANTS FOR COOPERATIVE AGREEMENTS, ALTERNATIVE EDUCATIONAL DELIVERY SYSTEMS AND LOW-POWER TELEVISION.]

Subdivision 1. [POLICY:] The legislature finds that small rural secondary schools, because of fiscal constraints, are experiencing a decrease in course offerings, uneconomical class sizes, restricted student access to courses, and the necessity for teachers to teach in subject areas for which they are not licensed. Therefore it is the intention of the legislature to encourage the use of available options by small rural districts in order to provide a more equitable balance in programs available to rural and urban secondary pupils. These options include consolidation, pairing and alternative educational delivery systems which utilize shared services, and applications of technology such as two-way, low-power television.

Subd. 2. [COOPERATIVE AGREEMENT GRANTS.] The council on quality education, in cooperation with the department of education, may make grants to school districts for the study, evaluation, and start-up costs of an agreement which provides for the discontinuance by a district of grades 7 through 12 or portions of those grades and the instruction in another district of the pupils in the discontinued grades or portions of grades. Application for a grant pursuant to this subdivision shall be made in a manner prescribed by the council and the agreements shall comply with the requirements set forth in Minnesota Statutes 1980, Section 122.85.

Subd. 3. [ALTERNATIVE EDUCATIONAL DELIVERY SYSTEM GRANTS.]

(a) The council on quality education shall make a grant to Independent School District No. 362, Littlefork, to serve as a demonstration model in the development and implementation of an alternative educational delivery system. The council shall provide supervision and coordination in the development and implementation of the demonstration model and in disseminating information about the model to other districts. Application for a grant pursuant to this subdivision shall be made in a manner prescribed by the council.

(b) Alternative educational delivery systems shall include but are not limited to:

- (1) computer-assisted instruction;
- (2) extension courses offered by correspondence;
- (3) videotape courses; and
- (4) audiovisual courses.

(c) The goals of alternative educational delivery systems shall include but not be limited to:

- (1) expansion of curriculum in areas not otherwise available;
- (2) elimination of traditional classes of uneconomic or insufficient size without a reduction of learning opportunities;
- (3) provision of remedial instruction in basic skills.

(d) A grant made pursuant to this subdivision is to be used solely for development, implementation, and evaluation of the model, and to disseminate information about the model to other school districts in the state. The legislature does not intend that this grant is to be used for start-up costs of alternative educational delivery systems in other districts, nor does it intend to fund such start-up costs in the future.

Subd. 4. [LOW-POWER TELEVISION SYSTEM GRANT.]

(a) The council on quality education shall make a grant to Independent School District No. 790, Eagle Bend, to serve as a demonstration model in the development and implementation of a two-way, low-power television transmission system. The council shall provide supervision and coordination in the development, implementation, and evaluation of the model and in disseminating information about the model to other districts. Applications for this grant shall be made in a manner prescribed by this council.

(b) This grant is to be used solely for the development, implementation, and evaluation of the model and for disseminating information about the model to other school districts in the state. The legislature does not intend that this grant is to be used for start-up costs of two-way, low-power television transmission systems in other school districts nor does the legislature intend to fund such start-up costs in the future.

Subd. 5. [SOURCES OF FUNDS.] Districts receiving grants pursuant to this section may receive funds from the federal government and from private organizations for the purposes of this section.

Subd. 6. [SEPARATE FUND ACCOUNTS.] A district which is awarded a grant pursuant to this section shall maintain separate revenue and expenditure accounts which accurately reflect all revenues and expenditures. The moneys shall be spent only for the purposes of subdivision 2, 3, or 4.

Subd. 7. [LOW-POWER TRANSMISSION TELEVISION STUDY.] The council on quality education shall award one or more contracts to qualified consultants or legal firms specializing in securing broadcast and telecast licenses from the federal communications commission. The consultant or firm shall: (a) survey the need for low-power television transmission sites in the state; (b) write a report which recommends placement of low-power television transmission sites to provide maximum educational benefits to small rural school districts and gives detailed estimates of costs for implementing the sites,

including data concerning local personnel, training, and equipment; (c) evaluate the project in Independent School District No. 790, Communicasting for Educational Purposes; and (d) prepare and submit all necessary license applications to the federal communications commission on behalf of local education agencies recommended as transmission sites.

Subd. 8. [REPORT.] The council on quality education shall report to the education committees of the house of representatives and the senate by January 15, 1983 on the use and effectiveness of grants made pursuant to this section.

Subd. 9. [CONSTRUCTION.] Although the legislature intends that the grants made pursuant to this section are to be used for development of secondary educational models, the provisions of this section shall not be construed to prohibit these programs from also being utilized for elementary and adult education purposes.

Sec. 39. Laws 1973, Chapter 683, Section 26, Subdivision 1, is amended to read:

Sec. 26. [EXPERIMENTAL SCHOOL.]

Subdivision 1. It is the intention of the legislature of the state of Minnesota to establish an experimental educational program for pupils in kindergarten through eighth grade, to be situated in Independent School District No. 309 on the land comprising former Independent School District No. 25, which was dissolved and attached to Independent School District No. 309 by an order of the county board of Becker county dated June 23, 1970, which is on file and of record in the office of the county auditor of Becker county. ~~Such~~ This experimental school shall be established as set forth in this section.

Sec. 40. Laws 1973, Chapter 683, Section 26, is amended by adding a subdivision to read:

Subd. 2a. [SCHOOL ADMINISTRATION; TRANSFER OF AUTHORITY.] The care, management, and control of the experimental school in Independent School District No. 309 is transferred from the Indian education committee as defined in subdivision 2, to the White Earth reservation business committee. The Indian education committee shall serve in an advisory capacity to the White Earth reservation business committee. For purposes of this section, "committee" means the White Earth reservation business committee. The White Earth reservation business committee is eligible to receive federal aid to Indians pursuant to section 124.64. Notwithstanding any law to the contrary, the experimental school shall be considered a public school.

Sec. 41. Laws 1973, Chapter 683, Section 26, is amended by adding a subdivision to read:

Subd. 13a. Any kindergarten through eighth grade pupil residing within the defined boundaries of the experimental school area as set out in subdivision 1 shall be considered a resident pupil of the experimental school area, as if the experimental school area were a school district, for purposes of Minnesota Statutes, Chapter 120.

Sec. 42. [EXPERIMENTAL SCHOOL EXPIRATION DATE.]

Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended by Laws 1975, Chapter 432, Section 88, as amended by Laws 1977, Chapter 447,

Article VII, Section 28, is amended to read:

Subd. 17. The provisions of this section shall expire July ~~1981~~ 1, 1985. 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. 43. [ELECTION.]

Subdivision 1. Sections 40, 41 and 42 are effective only upon their approval by a majority of the qualified voters who reside on the land comprising former Independent School District No. 25, as defined in Laws 1973, Chapter 683, Section 26, Subdivision 1, voting on the question at an election called for that purpose by the Indian education committee, as defined in Laws 1973, Chapter 683, Section 26, Subdivision 2, according to the procedures specified in Minnesota Statutes, Section 123.32, Subdivision 22.

Subd. 2. [BALLOT QUESTION.] At the election on the question of approval of sections 40, 41 and 42, the question submitted to the voters shall be:

"Shall care, management and operation of the Pine Point Experimental School be transferred from the Indian Education Committee to the White Earth Reservation Business Committee with all of the kindergarten through eighth grade residents of former Independent School District No. 25 (Pine Point) required to attend the experimental school?"

Yes _____

No _____

The Indian education committee shall hold this election prior to June 25, 1981, at the Pine Point School. The Indian education committee shall inform the residents of former Independent School District No. 25 (Pine Point) of the election and of the options available. The Indian education committee shall also publish notice of the election in the legal newspapers in the county seats of Becker and Hubbard counties.

Sec. 44. [ARTS REPORT.]

The department of education shall submit a report on arts education to the education committees of the senate and house of representatives by January 1, 1983. The report shall include:

(1) The status and implementation of the Minnesota plan for arts in education, and

(2) The availability of learning opportunities in the arts for elementary and secondary students.

Sec. 45. [REPEALER.] *Minnesota Statutes 1980, Section 3.9279, Subdivision 13, and Laws 1973, Chapter 683, Section 26, Subdivision 13, are repealed.*

Sec. 46. [APPROPRIATION.]

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. [HEALTH AND DEVELOPMENTAL SCREENING PROGRAMS.] For health and developmental screening programs pursuant to sections 123.701 to 123.705, there is appropriated:

\$1,191,600.....1982,

\$1,075,000.....1983.

Subd. 3. [ABATEMENT AID.] For abatement aid pursuant to section 124.214, subdivision 2, there is appropriated:

\$2,751,000.....1982,

\$2,988,000.....1983.

Subd. 4. [EMERGENCY AID.] For emergency aid pursuant to section 124.24, there is appropriated:

\$50,000.....1982.

Any unexpended balance remaining from the appropriation in this subdivision shall not cancel but shall be available for the second year of the biennium.

Subd. 5. [CAPITAL EXPENDITURE EQUALIZATION AID.] For capital expenditure equalization aid pursuant to section 124.245, subdivision 1, there is appropriated:

\$734,500.....1982,

\$376,000.....1983.

Any unexpended balance remaining from the appropriation in this subdivision for 1983 may be expended for special purpose capital expenditure equalization aid pursuant to section 19 of this article.

Subd. 6. [SPECIAL PURPOSE CAPITAL EXPENDITURE EQUALIZATION AID.] For special purpose capital expenditure equalization aid pursuant to section 19 of this article, there is appropriated:

\$ 58,300.....1983.

Any unexpended balance remaining from the appropriation in this subdivision may be expended in 1983 for capital expenditure equalization aid pursuant to section 124.245, subdivision 1.

Subd. 7. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] For educational cooperative service units, there is appropriated:

\$664,950.....1982,

\$769,450.....1983.

Funds from this appropriation shall be transmitted to ECSU boards of directors for general operations in the amount of \$60,450 per ECSU as defined in section 123.58 in fiscal year 1982 and \$69,950 per ECSU in fiscal year 1983; provided however that the ECSU whose boundaries coincide with the boundaries of development region 11 and the ECSU whose boundaries encompass development regions six and eight shall receive \$120,900 in fiscal

year 1982 and \$139,900 in fiscal year 1983 for general operations.

Subd. 8. [SCHOOL LUNCH AID.] For school lunch aid pursuant to section 124.646 there is appropriated:

\$3,838,200.....1982,

\$4,085,500.....1983.

Any unexpended balance remaining from the appropriations in this subdivision may be expended, in addition to the amounts appropriated in subdivision 9 of this section, for food storage and transportation costs for U.S.D.A. donated commodities.

Subd. 9. [FOOD STORAGE AND TRANSPORTATION.] For food storage and transportation costs for U.S.D.A. donated commodities there is appropriated:

\$765,300.....1982,

\$880,100.....1983.

Subd. 10. [GIFTED AND TALENTED STUDENTS.] For programs for the gifted and talented pursuant to section 124.247, there is appropriated:

\$588,300.....1982,

\$543,660.....1983.

Subd. 11. [ALTERNATIVE GRANTS.] For grants made pursuant to subdivisions 2, 3, 4, and 7 of section 38 of this article, there is appropriated:

\$250,000.....1982,

\$150,000.....1983.

Any unexpended balance remaining from the appropriation in this subdivision shall not cancel and shall be available for the second year of the biennium.

Subd. 12. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to sections 3.925 and 3.926, there is appropriated:

\$600,000.....1982,

\$510,000.....1983.

Any unexpended balance remaining from the appropriations in this subdivision for 1982 shall not cancel and shall be available for the second year of the biennium.

Subd. 13. [EARLY CHILDHOOD AND FAMILY EDUCATION.] For early childhood and family education programs pursuant to section 3.9279, there is appropriated:

\$1,500,000.....1982,

\$1,275,000.....1983.

Any unexpended balance remaining from the appropriations in this subdivision for 1982 shall not cancel and shall be available for the second year of the biennium.

Subd. 14. [BASIC SUPPORT GRANTS.] For grants pursuant to sections 134.32 to 134.35 and 134.36 for the provision of library services, there is appropriated:

\$3,943,200.....1982,

\$3,639,955.....1983.

Subd. 15. [MULTI-COUNTY LIBRARY SYSTEMS.] For grants pursuant to sections 134.352 and 134.353 to multi-county, multi-type library systems, there is appropriated:

\$182,500.....1982,

\$155,125.....1983.

Subd. 16. [NONPUBLIC AIDS.] For programs for nonpublic educational aid pursuant to sections 123.931 to 123.937, there is appropriated:

\$4,109,800.....1982,

\$3,848,460.....1983.

Subd. 17. [APPROPRIATION; INDIAN EDUCATION.] (a) For certain Indian education programs, there is appropriated:

\$150,000.....1982,

\$150,000.....1983.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts of this appropriation may be distributed to the following school districts: \$47,110 to Independent School District No. 309-Pine Point School; \$8,290 to Independent School District No. 166; \$12,815 to Independent School District No. 432; \$12,060 to Independent School District No. 435; \$36,180 to Independent School District No. 707; and \$33,545 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

These appropriations are available August 15 of the applicable school year, but only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law 73-167 or 25 Code of Federal Regulations 273.31, or equivalent money from the same or another source.

(b) Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:

(i) Complied with the uniform financial accounting and reporting standards act, sections 121.90 to 121.917. For each school year, compliance with section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to this subdivi-

sion and one budget which does not include these moneys. The budget of that school district for the 1983-84 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1982-1983 budgets and shall not include any moneys appropriated in this subdivision;

(ii) Conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, Sections 120.03 and 120.17; Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and

(iii) Compiled accurate daily pupil attendance records.

(c) Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clause (b) and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.

Subd. 18. [PINE POINT ELECTION.] For the purpose of reimbursing the Indian Education Committee's costs for holding the election required in section 43 of this article, there is appropriated:

\$1,500.....1982.

The department shall pay to the Indian Education Committee an amount equal to the actual cost of holding the election pursuant to section 43 of this article, but in no event shall this payment exceed \$1,500.

Subd. 19. [IMPROVED LEARNING PROGRAMS.] For improved learning programs with principal-teacher, career teacher or counselor-teacher components, there is appropriated:

\$300,000.....1982.

Any amount of the appropriation remaining at the end of fiscal year 1982 shall not cancel and shall be available in fiscal year 1983.

Subd. 20. [CHEMICAL USE PROGRAMS.] For aid for chemical dependency programs authorized pursuant to section 22 of this article there is appropriated:

\$988,400.....1982,

\$826,965.....1983.

Subd. 21. [CANCELLATION AND PRORATION.] Except as provided in subdivisions 4, 8, 11, 12, 13 and 19, any unexpended balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. Except as provided in subdivisions 5 and 6, 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.

Subd. 22. [PAYMENT SCHEDULE.] One hundred percent of districts' aid entitlements for fiscal year 1982 under the programs for which funds are appropriated in subdivisions 2, 10, 12, 13, 14, 15 and 16, shall be paid in fiscal year 1982. Eighty-five percent of districts' aid entitlements for fiscal year 1983 under the programs for which funds are appropriated in subdivisions 2, 10, 12, 13, 14, 15 and 16, shall be paid in fiscal year 1983 and the remainder of districts' aid entitlements under these programs shall be paid before October 31, 1984.

Sec. 47. [EFFECTIVE DATES.]

Subdivision 1. Sections 13, 28, 29, 34, 35 and 43 of this article shall be effective the day following final enactment.

Subd. 2. Section 13, clause (5) shall apply to the proceeds of the sale of any building after June 30, 1980, and any district affected by this provision which placed sale proceeds in its debt retirement fund may transfer the appropriate amount of the proceeds from the debt retirement fund to the capital expenditure fund.

Subd. 3. Sections 40, 41 and 42 shall be effective on the day the Indian education committee complies with Minnesota Statutes, Section 645.021, Subdivision 2.

ARTICLE VII

MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 116H.126, Subdivision 2, is amended to read:

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before July 1, 1980, based upon the analysis of the building energy reports which school districts were required by law to submit by December 31, 1979, the director shall indicate to each school district those buildings upon which a mini-audit, maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the director and filed with the director by December 31, 1982.

Sec. 2. Minnesota Statutes 1980, Section 116H.126, Subdivision 4, is amended to read:

Subd. 4. [CERTIFICATION OF AUDITORS.] The director may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Sec. 3. Minnesota Statutes 1980, Section 116H.126, Subdivision 5, is amended to read:

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEYS.] The director may accept the results of an equivalent energy survey in place of the building energy report and audits required under this section.

Sec. 4. Minnesota Statutes 1980, Section 120.0751, Subdivision 5, is amended to read:

Subd. 5. The department of education shall provide the forms required by subdivision 2. These forms shall be available on or before July 31, 1980. The state board shall consider any application received by it on August 1, 1980, or

~~thereafter.~~ The state board of education shall adopt the procedures necessary to implement this section.

Sec. 5. Minnesota Statutes 1980, Section 120.78, Subdivision 1, is amended to read:

120.78 [FUEL CONSERVATION CONSUMPTION REPORTS.]

Subdivision 1. ~~On or before December 31~~ *By August 15* of each year each school district shall submit to the commissioner of education, in ~~such the~~ manner and upon ~~such the~~ forms as ~~he the~~ commissioner shall furnish, a comprehensive report of the energy consumed by the district during the previous school year ending June 30. The report shall include: (1) ~~a building energy report, as defined in section 116H.02, on each building and other structure maintained by the district;~~ (2) the amount of fuel used to transport students to and from school and between schools; and (3) ~~such any~~ other information as the commissioner may require related to the consumption of energy. The report shall be developed by the commissioner in consultation with the director of the energy agency.

Sec. 6. Minnesota Statutes 1980, Section 121.90, is amended to read:

121.90 [DEFINITIONS.]

~~“Receivables”, “liabilities”, “fund balances”, “revenues” and “expenditures” have the meanings specified in the uniform financial accounting and reporting standards for Minnesota school districts unless otherwise provided by law. Unless the context clearly indicates otherwise, the words, terms and phrases used in sections 121.901 to 121.917 have the meanings given to them in the manual for the uniform financial accounting and reporting system for Minnesota.~~

Sec. 7. Minnesota Statutes 1980, Section 121.904, is amended by adding a subdivision to read:

Subd. 11c. Payments received pursuant to section 477A.15 shall be recognized as revenue and recorded as a receivable in the fiscal year prior to receipt.

Sec. 8. Minnesota Statutes 1980, Section 121.906, Subdivision 2, is amended to read:

Subd. 2. [RECOGNITION OF EXPENDITURES AND LIABILITIES.] There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the uniform financial accounting and reporting standards for Minnesota school districts. *Encumbrances outstanding at the end of the fiscal year do not constitute expenditures or liabilities.*

Sec. 9. Minnesota Statutes 1980, Section 121.906, Subdivision 3, is amended to read:

Subd. 3. [PURCHASE ORDERS OTHER THAN INVENTORY.] Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year ~~designated at the time of the issuance of the order in which the liability is incurred.~~

Sec. 10. Minnesota Statutes 1980, Section 121.912, Subdivision 1, is

amended to read:

Subdivision 1. No school district shall permanently transfer money from an operating fund to a nonoperating fund except as provided in this subdivision. Permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues operation of a district-owned bus fleet or a substantial portion of a fleet, permanent transfers may be made from the fund balance account entitled "pupil transportation fund appropriated for bus purchases" to the capital expenditure fund, with the approval of the commissioner; ~~provided~~. The levy authorized pursuant to section 275.125, subdivision 11a, shall be reduced by an amount equal to the amount transferred. Permanent transfers may be made from the general fund to the capital expenditure fund of a post-secondary vocational-technical school in the amount and for the purposes authorized by the state board for vocational education in approving the school's budget pursuant to section 124.561; ~~provided~~. The state board shall not approve any permanent transfer for the purpose of an acquisition or betterment of lands or buildings or a capital improvement which requires the expenditure of an amount equal to or greater than \$50,000, which changes the perimeter walls of an existing facility, which adds more than 1,000 square feet to a post-secondary vocational facility, or which requires the issuance of school district bonds; ~~provided further~~. The state board shall not approve the permanent transfer for any other purpose of any amount which exceeds \$150,000.

Sec. 11. Minnesota Statutes 1980, Section 121.917, Subdivision 4, is amended to read:

Subd. 4. (1) If the net negative unappropriated fund balance in all the funds of a school district, other than statutory operating debt pursuant to section 121.914, capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts, as of June 30, 1980, and each year thereafter, is more than 2-1/2 percent of the year's expenditure amount, the district shall, prior to September 15, submit a special operating plan to reduce the district's deficit expenditures to the commissioner of education for his approval.

Notwithstanding any other law to the contrary, a district submitting a special operating plan to the commissioner under this clause which is disapproved by the commissioner shall not receive any aid pursuant to chapter 124 until a special operating plan of the district is so approved.

(2) A district shall receive aids pending the approval of its special operating plan under clause (1). A district which complies with its approved operating plan shall receive aids as long as the district continues to comply with the approved operating plan.

Sec. 12. Minnesota Statutes 1980, Section 122.22, Subdivision 3, is amended to read:

Subd. 3. A resolution adopted pursuant to subdivision 2(a) shall contain findings of necessary jurisdictional facts and shall set a date for hearing. *The*

hearing shall be not less than ten 20 nor more than 60 days from the date of the resolution.

Sec. 13. Minnesota Statutes 1980, Section 122.22, Subdivision 4, is amended to read:

Subd. 4. A petition executed pursuant to subdivision 2(b) shall be filed with the auditor ~~and~~. *It shall contain the following:*

(a) A statement that petitioners desire proceedings instituted leading to dissolution of the district and other provisions made for the education of the inhabitants of the territory and that petitioners are eligible voters, as defined in section 123.32, subdivision 1a, of the district-;

(b) An identification of the district-; *and*

(c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. The recommendations are advisory in nature only and are not binding on any petitioners or county board for any purpose.

(d) The persons circulating the petition shall attach their affidavit swearing or affirming that the persons executing the petition are eligible voters, as defined in section 123.32, subdivision 1a, of the district and that they signed in the presence of one of the circulators.

(e) The auditor shall present the petition to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. *The hearing shall be not less than ten 20 nor more than 60 days from the date of that meeting.*

Sec. 14. Minnesota Statutes 1980, Section 122.22, Subdivision 5, is amended to read:

Subd. 5. Certification executed pursuant to subdivision 2(c) shall be filed with the auditor ~~and~~. *It shall contain the following:*

(a) A copy of the resolution initiating the election-;

(b) A copy of the notice of election with an affidavit of publication or posting-;

(c) The question voted on-;

(d) The results of the election by number of votes cast for and number against the question-; *and*

(e) If an advisory ballot is taken on annexation, the question voted on and number of ballots cast for and against the proposal.

The auditor shall present the certification to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. *The hearing shall be not less than ten 20 nor more than 60 days from the date of that meeting.*

Sec. 15. Minnesota Statutes 1980, Section 122.22, is amended by adding a subdivision to read:

Subd. 7a. Before the day of a hearing ordered pursuant to this section, each district adjoining the district proposed for dissolution shall provide the fol-

lowing information and resolution to the county auditor of the county containing the greatest land area of the district proposed for dissolution:

(a) The outstanding bonded debt of the district;

(b) The assessed valuation of the district;

(c) The most current school tax rates for the district, including any referendum, discretionary, or other optional levies being assessed currently and the expected duration of the levies;

(d) A resolution passed by the school board of the district stating that if taxable property of the dissolved district is attached to it, one of the following requirements is imposed: (1) the taxable property of the dissolving district which is attached to its district shall not be liable for the bonded debt of the district which existed as of the time of the attachment; (2) the taxable property of the dissolving district which is attached to its district shall be liable for the payment of the bonded debt of the district which existed as of the time of the attachment in the proportion which the assessed valuation of that part of the dissolving district which is included in the newly enlarged district bears to the assessed valuation of the entire district as of the time of attachment; or (3) the taxable property of the dissolving district which is attached to its district shall be liable for some specified portion of the amount that could be requested pursuant to subclause (2).

An apportionment pursuant to subclause (2) or (3) shall be made by the county auditor of the county containing the greatest land area of the district proposed for transfer.

An apportionment of bonded indebtedness pursuant to subclause (2) or (3) shall not relieve any property from any tax liability for payment of any bonded obligation, but taxable property in a district enlarged pursuant to this section becomes primarily liable for the payment of the bonded debt to the extent of the proportion stated.

Sec. 16. Minnesota Statutes 1980, Section 122.22, Subdivision 8, is amended to read:

Subd. 8. Within 90 days of the date set for the original hearing or within 30 days of the termination of a consolidation proceeding which stays the order under subdivision 7, the county board may issue its order:

(a) Dismissing the proceedings; or

(b) ~~Interlocutory in character, proposing~~ Providing for the dissolution of the district and the annexation of the territory to adjoining districts, or the entire district as a unit may be attached to and become part of a district which maintains a secondary school located within the same high school area; and if there is no intervening district maintaining a secondary school.

(c) If no order is issued within the limited time, the proceedings are dismissed.

If an order is issued pursuant to clause (b) the order is a final order, unless an election on the order is required pursuant to subdivision 11.

Sec. 17. Minnesota Statutes 1980, Section 122.22, Subdivision 9, is amended to read:

Subd. 9. An ~~interlocutory~~ order issued under subdivision 8, clause (b), shall contain *the following*:

(a) A statement that the ~~dissolution of the~~ district is ~~proposed~~ *dissolved unless the results of an election held pursuant to subdivision 11 provide otherwise*;

(b) A description, by words or plat or both showing ~~proposed~~ *the* disposition of territory in the district to be dissolved;

(c) The outstanding bonded debt of the district to be dissolved;

(d) *A statement requiring the fulfillment of the requirements imposed by each adjoining district to which territory in the dissolving district is to be attached regarding the assumption of its outstanding pre-existing bonded indebtedness by any territory from the dissolving district which is attached to it*;

(e) ~~A proposed~~ *An* effective date ~~of~~ *for* the order. The effective date shall be at least three months after the date of the order, and shall be July 1 of an odd-numbered year; *and*.

(~~e~~) (f) ~~Such~~ Other information ~~as~~ the county board may desire to include.

The auditor shall within ten days from its issuance serve a copy of the ~~interlocutory~~ order by mail upon the clerk of the district ~~proposed for dissolution to be dissolved~~ and upon the clerk of each district to which ~~it is proposed to attach any territory by~~ the order ~~attaches any territory of the district to be dissolved~~ and upon the auditor of each other county in which all or any part of the district ~~proposed for dissolution to be dissolved~~ or any district to which ~~it is proposed to attach~~ the order ~~attaches~~ territory lies, and upon the commissioner.

Sec. 18. Minnesota Statutes 1980, Section 122.22, Subdivision 11, is amended to read:

Subd. 11. If the proceedings were instituted by petition, under subdivision 2(b), or by election, under subdivision 2(c) and an advisory recommendation was made in the petition or an advisory ballot taken at the election, as to annexation requested, and if the ~~interlocutory~~ order makes a different provision for annexation than requested, then the ~~interlocutory~~ order must be approved by a majority of those voting on the question at an election to be called in the district to be dissolved, under subdivision 13. The question voted on shall be:

"Shall the ~~interlocutory~~ order of the county board of county, dated ~~proposing~~ *providing* for the dissolution of this school district be approved?"
Yes No

Sec. 19. Minnesota Statutes 1980, Section 122.22, Subdivision 13, is amended to read:

Subd. 13. If an election is required under subdivision 11 ~~or 12~~, then ~~upon~~ *before* the expiration of the ~~a~~ 45 day period ~~allowed in subdivision 10 or upon receipt of a demand for election on the question of debt assumption from each district to which it is proposed to attach territory, whichever is sooner after the date of the order for dissolution and attachment~~, the auditor shall ~~forthwith~~ set a date and call the election by filing a written order therefor; and serving a copy thereof personally or by mail on the clerk of the district in which the election is to be held, ~~which~~. The date shall be not less than 15 nor more than 30 days after

the date of the order, upon which date a special election shall be held in the district proposed for dissolution. The auditor shall cause notice of ~~such the~~ election to be posted and published according to law. Upon receipt of ~~such the~~ notice, the board shall conduct the election.

Sec. 20. Minnesota Statutes 1980, Section 122.22, Subdivision 14, is amended to read:

Subd. 14. The results of ~~each the~~ election shall be certified by the board to the auditor. If a majority of all votes cast on ~~each the~~ question at the election approve the ~~interlocutory~~ order and favor the assumption of the debt, the ~~interlocutory~~ order becomes final and effective as of the date specified in the order. Each person served with the ~~interlocutory~~ order shall be so notified. *If a majority of all votes cast on the question disapprove the order, the proceedings are dismissed, and the order becomes void.*

Sec. 21. Minnesota Statutes 1980, Section 122.22, Subdivision 20, is amended to read:

Subd. 20. If the dissolved district is not divided by the order of dissolution and attachment, all of its current assets and liabilities, real and personal, and all its legally valid and enforceable claims and contract obligations shall pass to the district to which it is attached, except as provided in section 122.532. If the district to be dissolved is divided by the ~~interlocutory~~ order of dissolution and attachment, the commissioner shall, within 30 days after the ~~interlocutory~~ order is issued, issue ~~his an~~ order for the distribution of its current assets and liabilities, real and personal. If the commissioner's order provides for the transfer of an interest in real estate to a district, this order may also impose a dollar amount as a claim against that district in favor of other districts, and this claim shall be paid and enforced in the manner provided by law for the payment of judgments against a district. The obligations of districts to the teachers employed by the dissolved district shall be governed by the provisions of section 122.532.

Sec. 22. Minnesota Statutes 1980, Section 123.35, Subdivision 15, is amended to read:

Subd. 15. When payment of a claim cannot be deferred until the next board meeting without loss to the district of a discount privilege, *or when payment of a claim cannot be deferred until the next board meeting because of contract terms, purchase order terms, or a vendor's standard terms which are part of the contract*, the claim may be paid prior to board approval, providing that the board:

- (a) Has delegated authority to the clerk or a designated business administrator to make a payment prior to board approval and
- (b) Requires that payment made prior to board approval be acted upon at the next board meeting.

Payment prior to board approval shall not affect the right of the district or a taxpayer to challenge the validity of a claim.

Sec. 23. Minnesota Statutes 1980, Section 124.14, Subdivision 2, is amended to read:

Subd. 2. If the commissioner determines that the amount of state aid dis-

tributed to a school district is in error, he is authorized to adjust the amount of aid consistent with this subdivision. If the commissioner determines that the amount of aid is in excess of the school district's entitlement, he is authorized to recover the amount of the excess by any appropriate means. ~~including the reduction of~~ *Notwithstanding the fiscal years designated by the appropriation, the excess may be recovered by reducing future aid payments to the school district.* Notwithstanding any law to the contrary, if the aid reduced is not of the same type as that overpaid, the school district shall adjust all necessary financial accounts to properly reflect all revenues earned in accordance with the uniform financial accounting and reporting standards pursuant to sections 121.90 to 121.92. *Notwithstanding the fiscal years designated by the appropriation, if the commissioner determines that the amount of an aid paid is less than the school district's entitlement, he is authorized to increase such aid from the current appropriation.*

Sec. 24. Minnesota Statutes 1980, Section 124.14, Subdivision 3, is amended to read:

Subd. 3. The commissioner 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.~~ *establish procedures for conducting and shall conduct audits of school district records and files for the purpose of verifying school district pupil counts, levy limitations, and aid entitlements. The commissioner shall establish procedures for selecting and shall select districts to be audited. Disparities, if any, between pupil counts, levy limitations, or aid entitlements determined by audit of school district records and files and data reported by school districts in reports, claims and other documents shall be reviewed by the commissioner who shall order increases or decreases accordingly. Whenever possible, the commissioner shall audit at least 25 districts each year pursuant to this subdivision.*

Sec. 25. Minnesota Statutes 1980, Section 124.14, is amended by adding a subdivision to read:

Subd. 3a. If the commissioner audits fewer than 25 school districts in a fiscal year pursuant to subdivision 3, the commissioner shall report the reasons for the number audited to the following legislative committees: house education, house appropriations, senate education, and senate finance.

Sec. 26. Minnesota Statutes 1980, Section 124.14, Subdivision 4, is amended to read:

Subd. 4. A reduction of 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~~ *shall be* open to inspection by the state auditor, ~~or the state board, or the commissioner for the purpose of audits conducted under this~~

section.

Sec. 27. Laws 1967, Chapter 822, Section 1, as amended by Laws 1969, Chapter 945, Section 1; and Laws 1971, Chapter 145, Section 1, is amended to read:

Section 1. [HENNEPIN AND WRIGHT COUNTY SCHOOL DISTRICTS; SPECIAL EDUCATION AND DRIVER TRAINING.] Two or more of the independent school districts numbered 270, 271, 272, 273, ~~274, 275,~~ 276, 277, 278, 279, 280, 281, 282, 283, 284, and 286, Hennepin county, 879, Hennepin and Wright counties, and 883, Wright county, whether or not contiguous, may enter into agreements to accomplish jointly and cooperatively the acquisition, betterment, construction, maintenance, and operation of area vocational-technical schools and the provision of facilities for and instruction in special education, and driving of motor vehicles. Each school district which becomes a party to such an agreement is hereinafter referred to as a "participating school district." The agreement may provide for the exercise of such powers by the school board of one of the school districts on behalf of and for the benefit of other school districts, or by a joint school board created as set forth in this act. If the powers are to be carried out by one of the school districts, it shall in doing so have the same powers and duties and be subject to the same limitations as are herein provided for joint school boards.

Sec. 28. [APPLICABILITY.]

On its effective date, section 27 applies to Independent School District No. 270, Hopkins, and to the Joint School District No. 287, Suburban Hennepin, formed pursuant to Laws 1967, Chapter 822, as amended.

Sec. 29. [EXEMPTION FROM PUBLIC SALE.]

Notwithstanding Minnesota Statutes, Section 124.76, from the effective date of this section of this article until January 1, 1982, the requirements as to public sale of tax and aid anticipation certificates of indebtedness shall not apply to certificates which mature no later than six months after their date of issue. The interest rate on these certificates may be determined by direct negotiation.

Sec. 30. [DEFICIENCY REPORT.]

By January 1, 1982, the commissioner shall report to the education committees of the house of representatives and the senate on all program aid deficiencies in the biennium ending June 30, 1981, which were not funded. This report shall include the amount of deficiency for each aid, the rate at which the aid was prorated among qualifying districts, and any adverse effect on the education programs of the districts involved.

Sec. 31. [REPEALER.]

Minnesota Statutes 1980, Sections 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.78, Subdivision 2; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 122.22, Subdivisions 10, 12, 15, and 16; 123.40, Subdivision 5; and 124.247, Subdivision 5, are repealed.

Sec. 32. [EFFECTIVE DATE.]

Subdivision 1. Sections 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 29 of this article are effective the day following final enactment.

Subd. 2. Section 27 of this article is effective on the day of compliance with Minnesota Statutes 1980, Section 645.021, Subdivision 3.

ARTICLE VIII

TEACHER MOBILITY

Section 1. Minnesota Statutes 1980, Section 125.60, Subdivision 2a, is amended to read:

Subd. 2a. [REPORTS ON DENIALS.] Any school board which denies a request for an extended leave of absence pursuant to this section shall report this denial and the reasons therefor to the commissioner within 30 days. Prior to February 1, 1979 and each year thereafter, the commissioner shall file a written report with the education committees of the legislature on any denials reported pursuant to this subdivision.

Sec. 2. Minnesota Statutes 1980, Section 125.60, Subdivision 7, is amended to read:

Subd. 7. [APPLICATION PROCEDURES; LIMITS.] No school board shall grant an extended leave of absence pursuant to this section without applying for and receiving authorization from the commissioner of education. The commissioner of education shall establish ~~deadlines and~~ procedures for applications pursuant to this subdivision and shall approve or disapprove applications pursuant to this subdivision within the limits of the appropriation for the purposes of sections 354.094 and 354A.091. *Each application shall state whether or not the teacher requesting the extended leave of absence pursuant to this section intends to pay the employee contribution and request state payment of the employer contribution into the teacher's retirement fund pursuant to section 354.094 or 354A.091 in order to receive retirement service credit for years spent on leave. The commissioner shall approve no more than 300 applications for extended leaves beginning in the 1981-1982, 1982-1983 and 1983-1984 school years for teachers who intend to pay employee contributions and request state payment of employer contributions.*

If more than 300 applications for extended leaves beginning in any school year are received by March 15 of the preceding school year, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods. Applications received by the commissioner after March 15 shall be considered for approval according to the order of receipt within the limits prescribed by this subdivision.

The commissioner shall not approve any applications for extended leaves beginning in the 1984-1985 or any subsequent school year for teachers who intend to pay employee contributions and request state payment of employer contributions. There is no limit on the number of applications which may be approved for extended leaves for teachers who do not intend to pay employee contributions or who do not request state payment of employer contributions.

Sec. 3. Minnesota Statutes 1980, Section 125.611, Subdivision 1, is amended to read:

Subdivision 1. [CRITERIA.] For purposes of this section, "teacher" means a teacher as defined in section 125.03, subdivision 1, who:

(a) is employed in the public elementary, secondary or area vocational-technical schools in the state, ~~who and~~

(b) either

(1)(i) has not less than 15 total years of full time teaching service in elementary, secondary and area vocational-technical schools, and

(ii) ~~who~~ has or will have attained the age of 55 years but less than 65 years as of the June 30 in the school year during which an application for an early retirement incentive is made, or

(2) has not less than 30 total years of full time teaching service in elementary, secondary and area vocational-technical schools.

Sec. 4. Minnesota Statutes 1980, Section 125.611, Subdivision 3, is amended to read:

Subd. 3. [TEACHER APPLICATION.] A teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of his services, withdrawal from active teaching service, and payment of an early retirement incentive. This application shall be submitted on or before ~~June~~ February 1 of the school year at the end of which the teacher wishes to retire, and shall be submitted on the form established by the commissioner of education for this purpose. *Any teacher who is granted an extended leave of absence pursuant to section 125.60 beginning in the 1981-1982 school year or any year thereafter is not eligible for an early retirement incentive until that teacher has been reemployed with a district for at least three years prior to making an application for an early retirement incentive.*

Sec. 5. Minnesota Statutes 1980, Section 125.611, Subdivision 5, is amended to read:

Subd. 5. [SCHOOL BOARD APPLICATION; LIMIT.] If the school board approves the teacher's application, the board shall apply to the commissioner of education for authorization to enter into a contract with the teacher for termination of his services and payment of an early retirement incentive. The school board's application shall be submitted on the form required by the commissioner and must be received by the commissioner by the ~~July~~ March 15 immediately following the school board's approval of the teacher's application. The commissioner of education shall establish procedures for applications pursuant to this subdivision and shall approve or disapprove applications pursuant to this subdivision within the limits of the appropriation for the purposes of this section. *The commissioner shall approve no more than 500 applications for early retirement incentives for teachers retiring at the end of each school year.*

If more applications are received than can be approved within this limit, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods.

Applications pursuant to this subdivision shall include the annual salaries which would be paid to the teachers for whom the applications are made if they did not retire and any other information required by the commissioner of education.

Sec. 6. Minnesota Statutes 1980, Section 125.611, Subdivision 8, is amended to read:

Subd. 8. [PAYMENT; REDUCTION.] 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 \$10,000. This amount shall be reduced by \$500 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$1,500 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the June 30 in the school year during which the application for the early retirement incentive is made.

Sec. 7. Minnesota Statutes 1980, Section 125.611, Subdivision 9, is amended to read:

Subd. 9. [DESEGREGATION DISTRICTS.] Notwithstanding the provisions of subdivision 8, an eligible teacher ~~who wishes to retire at the end of the 1979-1980, 1980-1981, or 1981-1982 school year,~~ who is employed by a school district which is implementing a desegregation plan ordered by federal court or approved by the state board, and who is offered and accepts an early retirement incentive pursuant to subdivision 7, shall receive an early retirement incentive in the amount of \$15,000. This amount shall be reduced by \$750 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$2,250 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the June 30 in the school year during which the application for the early retirement incentive is made.

Sec. 8. Minnesota Statutes 1980, Section 125.611, Subdivision 10, is amended to read:

Subd. 10. [PAYMENT ARRANGEMENT.] The early retirement incentive shall be paid by the employing school district at the time and in the manner mutually agreed upon by a teacher and the board. The state shall ~~reimburse the district for 50 percent of any amount or amounts paid out as an early retirement incentive pursuant to this section~~ *pay the district 50 percent of the authorized early retirement incentive grant on or before the September 1 immediately following the commissioner's approval of the teacher's application. For those applications which were approved prior to July 1, 1981, the state shall pay the districts any remaining state obligation on those grants by September 1, 1981.* An early retirement incentive shall not be paid to any teacher who is discharged by a school district.

Sec. 9. Minnesota Statutes 1980, Section 354.094, Subdivision 1, is amended to read:

Subdivision 1. [SERVICE CREDIT CONTRIBUTIONS.] If a member is granted an extended leave of absence pursuant to section 125.60 or 136.88, *except as provided in section 10 of this article* he may receive allowable service credit toward annuities and other benefits under this chapter, 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. *Except as provided in section 10 of this article,* the state shall pay employer contributions into the fund for each year for which a member who is on extended leave pays employee contribu-

tions 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.

Sec. 10. Minnesota Statutes 1980, Section 354.094, is amended by adding a subdivision to read:

Subd. 1a. [RESTRICTIONS.] Notwithstanding subdivision 1, the following provisions apply to elementary, secondary and area vocational-technical school teachers whose extended leaves begin in the 1981-1982 school year and each year thereafter:

(a) Only a member whose application states the intention to pay employee contributions into the fund, requests state payment of employer contributions, and is approved by the commissioner within the limits of section 125.60, subdivision 7, qualifies for the payment of employee contributions and for state payment of employer contributions pursuant to subdivision 1;

(b) The state shall pay employer contributions for a member described in clause (a) for no more than the first three years of the leave;

(c) A member whose application is approved as to the member's eligibility under section 125.60, subdivisions 1 and 2 but whose application does not request state payment of employer contributions or is disapproved as to state payment of employer contributions, or who is in the fourth or fifth year of leave affected by clause (b) may pay employee contributions and receive allowable service credit as provided in subdivision 1 if the member and his employing school board make the required employer contribution, in any proportion which they may agree upon, by the payment date specified in subdivision 1.

Sec. 11. Minnesota Statutes 1980, Section 354.094, Subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP; RETENTION.] Notwithstanding section 354.49, subdivision 4, clause (3), a member on extended leave who pays whose employee and employer contributions are paid into the fund pursuant to subdivision 1 and section 10 of this article shall retain membership in the association for as long as he continues to pay employee the contributions are paid, under the same terms and conditions as if he had continued to teach in the district, the community college system or the state university system.

Sec. 12. Minnesota Statutes 1980, Section 354.094, Subdivision 3, is amended to read:

Subd. 3. [EFFECT OF NONPAYMENT.] A member on extended leave of absence pursuant to section 125.60 or 136.88 who does not pay employee contributions or whose employer contribution is not paid into the fund in any year shall be deemed to cease to render teaching services beginning in that year for purposes of this chapter and may not pay employee or employer contributions into the fund in any subsequent year of the leave. Nonpayment of employee contributions into the fund shall not affect the rights or obligations of the member or his employer under section 125.60 or 136.88.

Sec. 13. Minnesota Statutes 1980, Section 354.66, Subdivision 9, is

amended to read:

Subd. 9. [APPLICATIONS; LIMITS.] A school 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 education. 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 education shall approve or disapprove applications from school 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; *provided he shall not approve more than 55 total applications pursuant to this section and section 354A.094 for participation in the fund in any fiscal year. If more than 55 applications for any school year are received by the commissioner by March 15 of the preceding school year, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods. Applications received by the commissioner after March 15 shall be considered for approval according to the order of receipt within the limits prescribed by this subdivision.* The state board for community colleges and the state university board may within the limits appropriated to them for purposes of this section 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 education.

Sec. 14. Minnesota Statutes 1980, Section 354A.091, Subdivision 1, is amended to read:

Subdivision 1. [RETIREMENT CONTRIBUTIONS.] Notwithstanding any provision to the contrary of this chapter or the articles of incorporation or bylaws of an association relating to the salary figure to be used for the determination of contributions or the accrual of service credit, *except as provided in section 15 of this article* an elementary, secondary or area vocational-technical school teacher in the public schools of a city of the first class who is granted an extended leave of absence pursuant to section 125.60 shall be entitled to receive allowable service credit in the applicable association for each year of leave. To obtain the service credit, the teacher on extended leave shall make an employee contribution to the applicable association each year during the period of the leave. The extended leave period for which a teacher shall be entitled to receive allowable service credit pursuant to this section shall not exceed the leave duration maximum set forth in section 125.60, subdivision 2. If the teacher on extended leave makes the employee contribution pursuant to this section during a leave of absence year; *except as provided in section 15 of this article* the state shall make an employer contribution on behalf of the teacher to the applicable association for that year. The employee and employer contributions shall be in an amount equal to the employee and employer contribution rates in effect for other active members of the association covered by the same program applied to a salary figure equal to the teacher's actual covered salary for the plan year immediately preceding the leave. Payment of the employee contribution authorized pursuant to this section shall be made by the teacher on or before June 30 of the fiscal year for which service credit is to be obtained,

and payment of the employer contribution shall be made by the state within 30 days of notification by the association of receipt of the required employee contribution. No allowable service with respect to a year of extended leave of absence shall be credited to a teacher until payment of the required employee and employer contributions has been received by the association.

Sec. 15. Minnesota Statutes 1980, Section 354A.091, is amended by adding a subdivision to read:

Subd. 1a. [CONTRIBUTION RESTRICTIONS.] Notwithstanding subdivision 1, the following provisions apply to elementary, secondary and area vocational-technical school teachers whose extended leaves begin in the 1981-1982 school year and each year thereafter:

(a) Only a member whose application states the intention to pay employee contributions to the applicable association, requests state payment of the employer contribution, and is approved by the commissioner within the limits of section 125.60, subdivision 7, qualifies for the payment of employee contributions and for state payment of employer contributions pursuant to subdivision 1;

(b) The state shall pay employer contributions for a member described in clause (a) for no more than the first three years of the leave;

(c) A member whose application is approved as to the member's eligibility under section 125.60, subdivisions 1 and 2 but whose application does not request state payment of employer contributions or is disapproved as to state payment of employer contributions, or who is in the fourth or fifth year of leave affected by clause (b) may pay employee contributions and receive allowable service credit as provided in subdivision 1 if the member and his employing school board make the required employer contribution, in any proportion which they may agree upon, by the payment date specified in subdivision 1.

Sec. 16. Minnesota Statutes 1980, Section 354A.091, Subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP RETENTION.] A teacher on extended leave pursuant to section 125.60 who makes whose employee and employer contributions are made to the applicable teachers retirement fund association pursuant to subdivision 1 and section 15 of this article shall retain membership in the association for each year during which the teacher continues to make employee contributions are made, under the same terms and conditions as if the teacher had continued to teach in the district.

Sec. 17. Minnesota Statutes 1980, Section 354A.091, Subdivision 3, is amended to read:

Subd. 3. [EFFECT OF NONPAYMENT.] A teacher on extended leave pursuant to section 125.60 who does not make employee contributions or whose employer contribution is not made to the applicable teachers retirement fund association in any year shall be deemed to have ceased to be an active member of the association and to have ceased to render teaching services beginning in that year for purposes of this chapter and the articles of incorporation and bylaws of the association, and may not pay employee or employer contributions into the fund in any subsequent year of the leave. Nonpayment of employee contributions into the fund shall not affect the rights or obligations of

the teacher or his employing school district under section 125.60.

Sec. 18. Minnesota Statutes 1980, Section 354A.094, Subdivision 9, is amended to read:

Subd. 9. [APPLICATION APPROVAL; LIMITS.] A district shall not assign a teacher to a part time teaching position qualifying for full membership in, accrual of service credit from and employee contributions to a teachers retirement fund association pursuant to this section without applying for and receiving the authorization of the commissioner of education. In cooperation with the boards of trustees of the appropriate retirement fund associations and within the limits of the amounts appropriated for the purpose of this section, the commissioner of education shall approve or disapprove the applications from districts for authorization to assign teachers to part time teaching positions qualifying for full membership in, accrual of service credit from and employee contributions to a teachers retirement fund association pursuant to this section; *provided he shall not approve more than 55 total applications pursuant to this section and section 354.66 for participation in the fund in any fiscal year. If more than 55 applications for any school year are received by the commissioner by March 15 of the preceding school year, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment, or any combination of these methods. Applications received by the commissioner after March 15 shall be considered for approval according to the order of receipt within the limits prescribed by this subdivision.*

Sec. 19. [INSTRUCTIONS TO COMMISSIONER.] *The commissioner shall allow those teachers whose applications were approved prior to the effective date of sections 2, 10, and 15 of this article for extended leaves of absence beginning in the 1981-1982 school year to amend their applications in order to comply with sections 2, 10, and 15 of this article.*

Sec. 20. [APPROPRIATION.]

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. [EXTENDED LEAVES OF ABSENCE.] To meet the state's obligation prescribed in Minnesota Statutes 1980, Sections 354.094 and 354A.091, there is appropriated:

\$1,025,200.....1982.

\$1,574,300.....1983.

Subd. 3. [PART-TIME TEACHING.] To meet the state's obligation prescribed in Minnesota Statutes 1980, Sections 354.66 and 354A.094, there is appropriated:

\$69,900.....1982.

\$75,500.....1983.

Subd. 4. [EARLY RETIREMENT INCENTIVES.] To meet the state's obligation prescribed in Minnesota Statutes 1980, Section 125.611, there is appropriated:

\$2,191,400.....1982,

\$1,805,000.....1983.

Subd. 5. [NON-CANCELLATION; FUNDING RESTRICTION.] Any unexpended balance remaining from the appropriations in this section for fiscal year 1982 shall not cancel but shall be available for the second year of the biennium. Notwithstanding the provisions of Minnesota Statutes 1980, Sections 354.43 and 354A.12, the state's obligations prescribed in Minnesota Statutes 1980, Sections 354.094, 354.66, 354A.091, and 354A.094 shall not be financed out of standing appropriations for the state's obligations pursuant to Minnesota Statutes 1980, Chapter 354 or 354A.

Subd. 6. [TRANSFER AUTHORITY.] If any appropriation for any year in subdivision 2, 3 or 4 exceeds the amount needed to pay the state's obligation for that year under that subdivision, then the excess amount may be used to make payments for that year pursuant to another subdivision.

Sec. 21. [EFFECTIVE DATE.]

Sections 2, 3, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 of this article shall be effective the day following final enactment. Section 5 of this article shall be effective the day following final enactment except that the amendment changing the application deadline from July 15 to March 15 shall be effective August 1, 1981.

ARTICLE IX

MAXIMUM EFFORT SCHOOL AID

Section 1. Minnesota Statutes 1980, 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 15 mills on the adjusted assessed value; or whichever of the following amounts is applicable:

(a) In any school district granted a debt service loan after July 31, 1981 or granted a capital loan which is approved after July 31, 1981, a levy in a total dollar amount computed as 16 mills on the adjusted assessed value;

(b) In any school district granted a debt service loan before August 1, 1981 or granted a capital loan which was approved before August 1, 1981, a levy in a total dollar amount computed as 15 mills on the adjusted assessed value, until and unless the district receives an additional loan; or

(2) A levy in whichever of the following amounts is applicable:

(a) In any school district which received a debt service or capital loan from the state before January 1, 1965, a levy in a total dollar amount computed as 4.10 mills on the market value in each year, unless the district applies or has applied for an additional loan subsequent to January 1, 1965, or issues or has issued bonds on the public market, other than bonds refunding state loans, subsequent to January 1, 1967;

(b) In any school district granted a debt service or capital loan between January 1, 1965, and July 1, 1969, a levy in a total dollar amount computed as 5-1/2 mills on the market value in each year, until and unless the district

receives an additional loan;

(c) In any school district granted a debt service or capital loan between July 1, 1969 and July 1, 1975, a levy in a total dollar amount computed as 6.3 mills on market value in each year until and unless the district has received an additional loan; or

(d) In any school district ~~granted a~~ ~~which has an outstanding~~ capital loan ~~between July 1, 1977 and the effective date of this section of this article~~, a levy in a total dollar amount equal to the sum of the amount of the required debt service levy and an amount which when levied annually will in the opinion of the commissioner be sufficient to retire the remaining interest and principal on any outstanding loans from the state within 30 years of the original date when the capital loan was granted; provided, that the school board in any district affected by the provisions of clause (2)(d) may elect instead to determine the amount of its levy according to the provisions of clause (1); provided further that if a district's capital loan is not paid within 30 years because it elects to determine the amount of its levy according to the provisions of clause (2)(d), the liability of the district for the amount of the difference between the amount it levied under clause (2)(d) and the amount it would have levied under clause (1), and for interest on the amount of that difference, shall not be satisfied and discharged pursuant to section 124.43, subdivision 4.

Sec. 2. Minnesota Statutes 1980, Section 124.39, Subdivision 5, is amended to read:

Subd. 5. All moneys deposited to the credit of the loan repayment account and not required for the payment of principal and interest and costs as prescribed in subdivision 4 shall be transferred to the credit of the debt service loan account on July 1 of each year, and ~~such those~~ moneys are ~~hereby~~ annually appropriated ~~in such to that~~ account for the purposes prescribed by the maximum effort school aid law; except that the ~~committee~~ commissioner may retain in the loan repayment account any amount which ~~it the~~ commissioner estimates will not be needed for loans in the fiscal year commencing July 1. Moneys deposited to the credit of the loan repayment account and not required for ~~such the~~ transfers or for the payment of principal and interest due on school loan bonds may be invested and reinvested in securities which are general obligations of the United States or the state of Minnesota. When all school loan bonds have been fully paid with interest accrued thereon, the balance remaining in ~~said the~~ account shall be transferred to the state bond fund.

Sec. 3. Minnesota Statutes 1980, Section 124.40, Subdivision 2, is amended to read:

Subd. 2. Any amounts remaining in the fund on July 1 of each year, including any unused portion of the appropriation made in subdivision 1, shall be available for use by the ~~committee~~ commissioner in making further debt service loans and capital loans.

Sec. 4. Minnesota Statutes 1980, Section 124.41, is amended to read:

124.41 [SCHOOL LOANS.]

Subdivision 1. The ~~members of the equalization aid review committee defined in section 124.212, subdivision 10,~~ commissioner shall receive and consider applications for and grant or deny loans under sections 124.36 to

124.47.

Subd. 2. [APPLICATION FORMS; RULES.] The ~~committee commissioner~~, with the assistance of the attorney general or an assistant designated by him, shall prepare forms of applications for debt service loans and capital loans and instruments evidencing ~~such the loans, and~~. The state board shall promulgate ~~regulations rules~~ to facilitate ~~its the commissioner's~~ operations in compliance with sections 124.36 to 124.47, ~~and such regulations~~. The rules shall be subject to the procedure set forth in sections 15.0411 to 15.0422.

Subd. 3. The ~~committee commissioner~~ may employ a clerk, ~~who may be designated assistant secretary, to to administer the maximum effort school aid law. The clerk shall serve at its the commissioner's pleasure and to shall be in the unclassified service of the state, and. The commissioner may fix his the clerk's compensation, which shall be paid out of the administration loan repayment account of the fund.~~

Sec. 5. Minnesota Statutes 1980, Section 124.42, Subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION; APPLICATION; AWARD; INTEREST.] Any school district in which the required levy for debt service in any year will exceed its maximum effort debt service levy by ten percent or by \$5,000, whichever is less, is qualified for a debt service loan hereunder in an amount not exceeding the amount applied for, and not exceeding one percent of the net debt of the district, and not exceeding the difference between the required and the maximum effort debt service levy in ~~such that~~ year. Applications shall be filed with the ~~committee commissioner~~ in each calendar year up to and including September 15. The ~~committee commissioner~~ shall determine whether the applicant is entitled to ~~such a loan and the amount thereof, and on or before October 1 shall certify to each applicant district the amount granted and its due date. A copy of each such certificate shall be filed with the commissioner. Upon receipt by the commissioner of a copy of the committee's certificate that the loan is granted,~~ The commissioner shall notify the county auditor ~~of or each county auditors~~ in which the district is located that the amount ~~so~~ certified is available and appropriated for payment of principal and interest on its outstanding bonds, and ~~such the~~ auditors shall reduce by that amount the taxes otherwise leviable as the district's debt service levy on the tax rolls for ~~such that~~ year. Each debt service loan shall bear interest from its date at a rate ~~determined by the commissioner of finance annually, at the multiple of one-tenth of one percent per annum next higher than the equal to the average annual rate payable on Minnesota state school loan bonds from time to time outstanding, most recently issued prior to the disbursement of the loan to the district, but in no event less than 3 1/2 percent per annum on the principal amount from time to time remaining unpaid, payable on December 15 of the year next following that in which the loan is received and annually thereafter.~~

Sec. 6. Minnesota Statutes 1980, Section 124.42, Subdivision 2, is amended to read:

Subd. 2. [NOTE.] Each debt service loan shall be evidenced by a note which shall be executed ~~in~~ on behalf of the district by the signatures of its chairman or vice chairman and the school district clerk, shall be dated November 1 of the year in which executed, and shall state its principal amount, interest rate, and that it is payable at the commissioner's office. It shall have printed thereon, or

the commissioner shall attach thereto, a grill for entry of the date and amount of each payment and allocations of each payment to accrued interest or principal, and a certificate to be executed by the county auditor of each county in which any portion of the school district is situated, prior to the delivery of the note, stating that ~~such~~ the county auditor has entered the debt service loan evidenced thereby in his bond register. ~~Such~~ The notes shall be delivered to the ~~committee~~ commissioner not later than November 15 of the year in which executed. The ~~secretary~~ commissioner shall cause a record to be made and preserved showing the obligor district and the date and principal amount of each note, and shall then deliver it to the commissioner who shall make suitable record thereof.

Sec. 7. Minnesota Statutes 1980, Section 124.43, Subdivision 1, is amended to read:

Subdivision 1. (a) To the extent moneys are from time to time available hereunder, the ~~committee is authorized~~ commissioner may, after review and a favorable recommendation by the state board of education, to effect make capital loans to school districts. Proceeds of ~~such~~ the loans shall be used only for sites for school buildings and for acquiring, bettering, furnishing, or equipping school buildings under contracts to be entered into within 12 months from and after the date on which each loan is granted. Applications with the accompanying data specified in subdivision 2 shall be filed between October 1 of any year and the following June 1 next following. No application shall be approved unless the state board of education certifies that the loan is

(b) Any board which intends to submit an application for a capital loan shall submit a proposal to the commissioner for review and comment pursuant to section 122.90, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to construct the facility. The state board shall not make a favorable recommendation on an application for a capital loan for any facility unless:

(1) the facility receives a favorable review and comment pursuant to section 122.90; and

(2) the state board determines that

(A) the facilities are needed to replace facilities dangerous to the health and safety of pupils, or to provide for pupils for whom no adequate facilities exist; that such

(B) the facilities could not be made available by consolidating the district through dissolution and attachment of the district to another district or through pairing, interdistrict cooperation, or consolidation with an adjacent another district without substantially lowering the fiscal capacity of that district or so increasing its area that it would no longer be viable; and that existing institutions or, or through the purchase or lease of facilities from existing institutions within the area could not be acquired or leased to provide the needed facilities safely and at a lower cost. The state board shall make recommendations to the committee. The preference of the school district regarding reorganization shall not be a criterion used by the state board in determining whether the facilities could be made available through reorganization;

(C) the facilities are comparable in size and quality to facilities recently constructed in other districts of similar enrollment; and

(D) the district's need for the facilities is comparable to needs which com-

parable districts are meeting through local bond issues.

The state board may recommend that the loan be approved in a reduced amount in order to meet the foregoing criteria. If the state board recommends that a loan not be approved, the commissioner shall not approve the loan, and if the state board recommends that the loan be approved in a reduced amount, the commissioner shall not approve a loan larger than that recommended by the state board.

(c) No loan shall be approved for any district exceeding an amount computed as follows:

(1) The amount voted by the district under subdivision 2;

(2) Plus the aggregate principal amount of general obligation bonds of the district outstanding on the date of approval, not exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or ~~22.5~~ 24 percent of the adjusted assessed value, whichever is less;

(3) Less the maximum net debt permissible for the district on the date of approval, under the limitation in section 475.53, subdivision 4, or ~~22.5~~ 24 percent of the adjusted assessed value, whichever is less; and

(4) Less any amount by which the amount voted exceeds the total cost of the facilities for which the loan is granted, as estimated in accordance with subdivision 4, provided that the loan may be approved in an amount computed as provided in clauses (1) to (3), subject to subsequent reduction in accordance with this clause.

Sec. 8. Minnesota Statutes 1980, Section 124.43, Subdivision 2, is amended to read:

Subd. 2. [DISTRICT PROCEDURES.] The school board of any district desiring a loan shall adopt a resolution stating the amount proposed to be borrowed, the purpose for which the debt is to be incurred, and an estimate of the dates when the facilities for which the loan is requested will be contracted for and completed. The question of authorizing the borrowing of funds for the facilities shall be submitted to the voters of the district at a regular or special election. The question submitted shall state the total amount to be borrowed from all sources. A majority of those voting on the question shall be sufficient to authorize the district to effect the state loan *application* and also to issue the bonds on public sale in accordance with chapter 475. Applications for loans shall be accompanied by (a) a copy of ~~such~~ the resolution, (b) a certificate by the clerk showing the vote at the election, (c) a certificate by the clerk and treasurer showing the then outstanding indebtedness of the district, and (d) a certificate by the county auditor of each county in which a portion of the district lies showing the information in his official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4. The clerk's and treasurer's certificate shall show, as to each outstanding bond issue, the amount originally issued, the purpose for which issued, the date of issue, the amount remaining unpaid as of the date of the resolution, and the interest rates and due dates and amounts of principal thereon. Applications shall be in ~~such~~ the form and accompanied by ~~such~~ the additional data as which the ~~committee~~ commissioner and state board of education shall prescribe, which may include a statement from the state department of education as to the district's need of the proposed schoolhouses in comparison with needs of other

~~districts~~. When an application is received, the ~~committee~~ *commissioner* shall obtain from the commissioner of revenue, and from the public utilities commission when required, the information in their official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4.

Sec. 9. Minnesota Statutes 1980, Section 124.43, Subdivision 3, is amended to read:

Subd. 3. [AWARD OF LOANS.] The ~~committee~~ *commissioner* shall examine and consider all applications for capital loans which have been recommended by the state board of education, and if any applicant district is found not qualified it shall be promptly notified thereof. On January 1 and July 1 of each year, the ~~committee~~ *commissioner* shall make ~~its~~ a determination on all pending applications which have been on file with ~~it~~ *the commissioner* more than one month. If an applicant is qualified in the opinion of the ~~committee~~ *commissioner* and the aggregate of the amounts applied for does not exceed the amount available or which can be made available in the capital loan account, all loans so applied for shall be granted, subject to acceptance by the respective districts as specified below. If the aggregate exceeds the amount which is or can be made available, the ~~committee~~ *commissioner* shall allot the available amount among the qualified applicant districts, or any of them, according to the ~~committee's~~ *commissioner's* judgment and discretion based upon their respective needs. The ~~committee~~ *commissioner* shall promptly certify to each qualified applicant district the amount, if any, of the capital loan granted to it, subject to adjustment under subdivision 1, clause (4).

Sec. 10. Minnesota Statutes 1980, Section 124.43, Subdivision 4, is amended to read:

Subd. 4. Each capital loan shall be evidenced by a contract between the school district and the state acting through the ~~committee~~ *commissioner*. It shall obligate the state to pay to the district, out of the maximum effort school loan fund, an amount computed as provided in subdivision 1, upon receipt by the ~~committee~~ *commissioner* of a certified resolution of the school board reciting that contracts for construction of the facilities for which the loan is granted have been awarded and that bonds of the district have been issued and sold in the amount necessary to pay all costs thereof in excess of the amount of the loan, and estimating ~~such~~ *the* costs. It shall obligate the district to repay the loan out of the excesses of its maximum effort debt service levy over its required debt service levy, including interest at a rate ~~determined annually by the commissioner of finance, at the multiple of one-tenth of one percent per annum next higher than equal to the average annual rate payable on Minnesota state school loan bonds most recently issued prior to the disbursement of the loan to the district,~~ but in no event less than 3 1/2 percent per annum on the principal amount from time to time unpaid. The district shall each year, as long as it is indebted to the state, levy for debt service (a) the amount of its maximum effort debt service levy or (b) the amount of its required debt service levy, whichever is greater, except as ~~such~~ *the* required debt service levy may be reduced by a loan under section 124.42. Whenever the maximum effort debt service levy is greater, the district shall remit to the commissioner within ten days after its receipt of the last regular tax distribution in each year, that portion of the debt service tax collections, including penalties and interest, which exceeded the required debt service levy. The commissioner shall supervise the

collection of outstanding accounts due the fund and may, by notice to the proper county auditor require the maximum levy to be made as required hereunder. Interest on capital loans shall be paid on December 15 of the year next following that in which the loan is granted and annually thereafter. On or before November 1 in each year the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and ~~said~~ the county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified. ~~In the event that~~ If any capital loan is not paid within 30 years after it is granted from maximum effort debt service levies in excess of required debt service levies, the liability of the school district thereon shall be satisfied and discharged and interest thereon shall cease. After a district's capital loan has been outstanding for 20 years, the district shall not issue bonds on the public market except for the purpose of refunding ~~such a~~ the loan.

Sec. 11. Minnesota Statutes 1980, Section 124.43, Subdivision 5, is amended to read:

Subd. 5. [PARTICIPATION BY COUNTY AUDITOR; RECORD OF CONTRACT; PAYMENT OF LOAN.] Before delivery of any capital loan contract, the school district shall file a copy thereof with the county auditor of each county in which any portion of the district is situated, and shall obtain from each ~~such~~ county auditor and furnish to the ~~committee~~ commissioner a certificate stating that ~~such~~ the county auditor has entered the capital loan evidenced thereby in his bond register. As each executed contract is delivered to the ~~committee~~ commissioner, ~~its secretary~~ the commissioner shall cause a record thereof to be made and preserved showing the name and address of the district, the date of the contract, and the amount of the loan initially approved in accordance with subdivision 1. Upon receipt of the resolution required in subdivision 4, the commissioner shall issue a warrant on the capital loan account for the amount which may be disbursed in accordance with subdivision 1, payable on presentation to the state treasurer. On presentation the treasurer shall remit the amount to the district and enter the date and amount in his account with the district. Interest thereon shall accrue from ~~such~~ that date.

Sec. 12. Minnesota Statutes 1980, Section 124.474, is amended to read:

124.474 [BOND ISSUE, MAXIMUM EFFORT SCHOOL LOANS; 1969.]

For the purpose of providing moneys to be loaned to school districts as agencies and political subdivisions of the state for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance is directed to issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000, in addition to the bonds heretofore authorized for this purpose, which amount is appropriated to the maximum effort school loan fund and shall be expended under the direction of the ~~school loan committee~~ commissioner of education for the making of debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. These bonds shall be issued and sold and provision for the payment thereof shall be made in accordance with section 124.46, and an amount sufficient to pay interest on the bonds to and including July 1 in the second year after the date of issue shall be credited from the bond proceeds to the school

loan bond account in the state bond fund. Any expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for ~~such~~ those purposes, shall be paid from the maximum effort school loan fund, and the amounts necessary therefor are appropriated from ~~such fund~~ it.

Sec. 13. Minnesota Statutes 1980, Section 124.476, is amended to read:

124.476 [BOND ISSUE, MAXIMUM EFFORT SCHOOL LOANS; 1980.]

For the purpose of providing moneys to be loaned to school districts as agencies and political subdivisions of the state for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance is directed to issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000, in addition to the bonds heretofore authorized for this purpose, which amount is appropriated to the maximum effort school loan fund and shall be expended under the direction of the ~~equalization aid review committee~~ commissioner of education for the making of debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. These bonds shall be issued and sold and provision for their payment shall be made in accordance with section 124.46, and an amount sufficient to pay interest on the bonds to and including July 1 in the second year after the date of issue shall be credited from the bond proceeds to the school loan bond account in the state bond fund. Any expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, shall be paid from the maximum effort school loan fund, and the amounts necessary for the expenses are appropriated from it.

Sec. 14. [APPROPRIATION; MAXIMUM EFFORT SCHOOL LOAN FUND.] *There is appropriated from the general fund to the maximum effort school loan fund the sum of \$5,104,000 for the fiscal year ending June 30, 1982 and \$4,396,200 for the fiscal year ending June 30, 1983. Any unexpended balance of this appropriation for fiscal year 1982 shall not cancel but shall be available for the second year of the biennium.*

These appropriations shall be placed in the loan repayment account of the maximum effort school loan fund for the payment of principal and interest on school loan bonds, as provided in section 124.46, to the extent that moneys in the fund are not sufficient to pay when due the full amount of principal and interest due on school loan bonds. The purpose of these appropriations is to ensure that sufficient moneys are available in the fund to prevent a statewide property tax levy as would otherwise be required pursuant to section 124.46, subdivision 3. Notwithstanding the provisions of section 124.39, subdivision 5, any amount of the appropriation made in this section which is not needed to pay when due the principal and interest due on school loan bonds shall not be transferred to the debt service loan account of the maximum effort school loan fund, but instead shall cancel and revert to the general fund.

Sec. 15. [EFFECTIVE DATE.]

Subdivision 1. Sections 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12 and 13 of this article

are effective on the day following final enactment.

Subd. 2. Section 7 of this article shall be effective August 1, 1981, except that the transfer of authority from the committee to the commissioner shall be effective on the day following final enactment. The amendments in section 7, clause (c) of this article shall not apply to a capital loan approved by the committee or the commissioner before August 1, 1981, regardless of when the capital loan contract is signed or the loan amount is paid to the district.

Subd. 3. The amendments in section 10 regarding the interest rate payable on capital loans shall not apply to a capital loan approved by the committee or the commissioner before August 1, 1981, regardless of when the capital loan contract is signed or the loan amount is paid to the district."

Delete the title in its entirety and insert:

"A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a property accounting system for AVTI's; providing a new aid and levy authorization for certain capital expenditures; providing for certain alternative projects; modifying certain provisions relating to teacher mobility and early retirement programs; providing for the transfer of proceeds from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; decreasing the state's obligation and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.03, by adding a subdivision; 120.0751, Subdivision 5; 120.17, Subdivisions 3b, 4, 5a, 6, 7, 9 and by adding a subdivision; 120.78, Subdivision 1; 121.90; 121.902, by adding a subdivision; 121.904, Subdivision 7 and by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2 and 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, and 20, and by adding a subdivision; 122.531, Subdivisions 1, 2, 3a, 5, and 6; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivision 1; 124.11, Subdivisions 1, 2a, 2b, 2c, 4, 5, and by adding a subdivision; 124.14, Subdivisions 2, 3, and 4, and by adding a subdivision; 124.17, Subdivisions 1, 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivision 1, and by adding a subdivision; 124.213; 124.214, Subdivision 2; 124.223; 124.225, Subdivisions 1, 1a, 3, 4a, 6, 7a, 8a, 8b, 9, 11, and 11a; 124.245, Subdivisions 1 and 2, and by adding subdivisions; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding subdivisions; 124.271, Subdivisions 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 1a, 1b, 5, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624;

124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3 and 8, and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.262, Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 1, 2a, 2c, 6b, 6c, 7a, 8, 9, 11a, 19 and 20, and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2 and 3, and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2 and 3, and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; Laws 1973, Chapter 683, Section 26, Subdivision 1, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 3, 120, 121 and 124; repealing Minnesota Statutes 1980, Sections 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 120.78, Subdivision 2; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 122.22, Subdivisions 10, 12, 15 and 16; 122.531, Subdivision 7; 123.40, Subdivision 5; 124.01, Subdivisions 2, 3 and 4; 124.212, Subdivisions 2, 4, 5, 5a, 6c, 7c, 7d, 8a, 9, 9a, 9b, 20, 20a and 21; 124.225, Subdivisions 2, 4, 5, 7 and 8; 124.26, Subdivision 3; 124.247, Subdivision 5; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b, 7b, and 14.”

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

House Conferees: (Signed) Bob McEachern, Carl M. Johnson, Ken G. Nelson, Connie M. Levi, David M. Jennings

Senate Conferees: (Signed) Neil Dieterich, Jerome M. Hughes, Gene Merriam, Keith Langseth, Wayne Olhoff

Mr. Dieterich moved that the foregoing recommendations and Conference Committee Report on H. F. No. 70 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. Dieterich imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 70 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 38 and nays 23, as follows:

Those who voted in the affirmative were:

Dahl	Knoll	Moe, R. D.	Purfeerst	Stumpf
Davies	Kroening	Nelson	Schmitz	Tennessee
Dicklich	Kronebusch	Olhoff	Setzepfand	Vega
Dieterich	Langseth	Pehler	Sikorski	Waldorf
Frank	Lantry	Penny	Solon	Wegener
Hanson	Luther	Peterson, C.C.	Spear	Willet
Hughes	Menning	Peterson, R.W.	Stern	
Johnson	Moe, D. M.	Petty	Stokowski	

Those who voted in the negative were:

Ashbach	Bertram	Frederickson	Merriam	Steloff
Bang	Brataas	Kamrath	Peterson, D.L.	Taylor
Benson	Davis	Knutson	Pillsbury	Ulland
Berg	Engler	Lessard	Ramstad	
Bernhagen	Frederick	Lindgren	Rued	

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Pehler moved that the following members be excused for a Conference Committee on H. F. No. 1445 at 4:00 p.m.:

Messrs. Johnson; Hanson; Peterson, C. C.; Pehler and Ms. Berglin. The motion prevailed.

Pursuant to Rule 21, Mr. Willet moved that the following members be excused for a Conference Committee on H. F. No. 1475 at 4:30 p.m.:

Messrs. Willet, Luther, Menning, Purfeerst and Ashbach. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 359 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 359

A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the

special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

May 16, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 359, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendments and that S. F. No. 359 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. “Public official” means any:

- (a) Member of the legislature;
- (b) Constitutional officer in the executive branch and his chief administrative deputy;
- (c) Member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) Commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) Individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) Executive director of the state board of investment;
- (g) Executive director of the Indian affairs intertribal board;
- (h) Commissioner of the iron range resources and rehabilitation board;
- (i) Director of mediation services;
- (j) Deputy of any official listed in clauses (e) to (i);
- (k) Judge of *the workers' compensation court of appeals* ;
- (l) Hearing examiner or *compensation judge* in the state office of administrative hearings or *hearing examiner in the* department of economic security;
- (m) Solicitor general or deputy, assistant or special assistant attorney general;
- (n) Individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or
- (o) Member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission.

Sec. 2. Minnesota Statutes 1980, Section 15.052, Subdivision 1, is

amended to read:

Subdivision 1. A state office of administrative hearings is created. The office shall be under the direction of a chief hearing examiner, who shall be learned in the law and appointed by the governor, with the advice and consent of the senate, for a term ending on June 30 of the sixth calendar year after appointment. The chief hearing examiner shall appoint additional hearing examiners *and compensation judges* to serve in his office as necessary to fulfill the duties prescribed in this section. All hearing examiners *and compensation judges* shall be in the classified service except that the chief hearing examiner shall be in the unclassified service, but may be removed from his position only for cause. ~~Additionally,~~ All hearing examiners shall have demonstrated knowledge of administrative procedures and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner. *All workers' compensation judges shall be learned in the law, shall have demonstrated knowledge of workers' compensation laws and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner.*

Sec. 3. Minnesota Statutes 1980, Section 15.052, Subdivision 2, is amended to read:

Subd. 2. When regularly appointed hearing examiners *or compensation judges* are not available, the chief hearing examiner may contract with qualified individuals to serve as hearing examiners *or compensation judges*. Such temporary hearing examiners *or compensation judges* shall not be employees of the state.

Sec. 4. Minnesota Statutes 1980, Section 15.052, Subdivision 3, is amended to read:

Subd. 3. All hearings of state agencies required to be conducted under this chapter shall be conducted by a hearing examiner assigned by the chief hearing examiner. *All hearings required to be conducted under chapter 176 shall be conducted by a compensation judge assigned by the chief hearing examiner.* In assigning hearing examiners *or compensation judges* to conduct such hearings, the chief hearing examiner shall attempt to utilize personnel having expertise in the subject to be dealt with in the hearing. Only hearing examiners learned in the law shall be assigned to contested case hearings. *Only compensation judges shall be assigned to workers' compensation matters.* It shall be the duty of the hearing examiner to: (1) advise an agency as to the location at which and time during which a hearing should be held so as to allow for participation by all affected interests; (2) conduct only hearings for which proper notice has been given; (3) see to it that all hearings are conducted in a fair and impartial manner; ~~and~~ (4) *Except in the case of workers' compensation hearings involving claims for compensation it shall also be the duty of the chief hearing examiner to make a report on each proposed agency action in which the hearing examiner functioned in an official capacity, stating his findings of fact and his conclusions and recommendations, taking notice of the degree to which the agency has (i) documented its statutory authority to take the proposed action, (ii) fulfilled all relevant substantive and procedural requirements of law or rule, and (iii) in rulemaking proceedings, demonstrated the need for and reasonableness of its proposed action with an affirmative presentation of facts.*

Sec. 5. Minnesota Statutes 1980, Section 15.052, Subdivision 4, is

amended to read:

Subd. 4. The chief hearing examiner shall ~~promulgate~~ *adopt* rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings ~~and~~, contested case hearings, *and workers' compensation hearings. Temporary rule-making authority is granted to the chief hearing examiner for the purpose of implementing sections 2 to 6, 103 to 122, 127 to 135, and 141. Such* The procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to recessing and reconvening new hearings when the proposed final rule of an agency is substantially different from that which was proposed at the public hearing. The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief hearing examiner to determine whether or not a new hearing is required because of substantial changes or failure of the agency to meet the requirements of section 15.0412, subdivisions 4 to 4f. Upon his own initiative or upon written request of an interested party, the chief hearing examiner may issue a subpoena for the attendance of a witness or the production of ~~such~~ books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 6. Minnesota Statutes 1980, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. The office of administrative hearings may maintain a court reporter system and in addition to or in lieu thereof may contract with non-governmental sources for court reporter services. The court reporters may additionally be utilized as the chief hearing examiner directs. Unless the chief hearing examiner determines that the use of a court reporter is more appropriate, an audio magnetic recording device shall be used to keep a record at any hearing which takes place under this chapter *or under chapter 176. In cases arising under chapter 176, the chief hearing examiner, in consultation with the compensation judge, shall decide the method of recording.*

Court reporters serving in the court reporter system of the office of administrative hearings shall be in the classified service. Notwithstanding the provisions of section 15.17, subdivision 4, copies of transcriptions of hearings conducted pursuant to this section may be obtained only through the office of administrative hearings.

Sec. 7. Minnesota Statutes 1980, Section 15A.083, is amended by adding a subdivision to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals shall be 90 percent of the salary for district judges as provided in subdivision 1. Salaries of compensation judges shall be 75 percent of the salary of district court judges as provided in subdivision 1.

Sec. 8. Minnesota Statutes 1980, Section 43.064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF EMPLOYEE RELATIONS.]

Notwithstanding any other law to the contrary, compensation for all unclassified positions in the executive branch not enumerated in the listing described in section 15A.081, shall be established by the commissioner except for the following: (1) positions listed in section 299D.03; (2) employees in the office of the governor whose salaries shall be determined by the governor; (3) employees in the office of the attorney general; (4) employees of the state board of investment; (5) positions in the state university system, the community college system, and in the higher education coordinating board whose primary duties consist of instructing and counseling students, directing academic programs of schools, divisions or departments of colleges and community colleges, or conducting research on academic subjects, or conducting academic support programs; and the positions of state university and community college presidents. Individual salaries for positions enumerated in clauses (3), (4), and (5) and for classified hearing examiners in the office of administrative hearings shall be determined by the attorney general, the state board of investment, the state university board, the state board for community colleges, the higher education coordinating board, and the chief hearing examiner, respectively, within the limits of salary plans which shall have been approved by the commissioner before becoming effective.

No provision of any subsequent law relating to salaries of state employees shall be construed as inconsistent with this section unless it is expressly provided in the subsequent act that the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 9. Minnesota Statutes 1980, Section 79.01, Subdivision 2, is amended to read:

Subd. 2. [INSURER.] The word "insurer" means any insurance carrier authorized by license issued by the commissioner of insurance to transact the business of workers' compensation insurance in this state: ~~for purposes of this subdivision "insurer" does not include~~ and includes a political subdivision providing self insurance or establishing a pool under section 471.981, subdivision 3.

Sec. 10. Minnesota Statutes 1980, Section 79.01, Subdivision 3, is amended to read:

Subd. 3. [INSURANCE.] The word "insurance" means workers' compensation insurance and insurance covering any part of the liability of an employer exempted from insuring his liability for compensation, as provided in section 176.181- ~~and includes~~ a program of self insurance, self insurance revolving fund or pool established under section 471.981 ~~is not insurance for purposes of this subdivision.~~

Sec. 11. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 1a. If the legislature enacts amendments to the workers' compensation laws of this state which indicate a reduction in the schedule of rates, or the commissioner determines that the loss experience of Minnesota workers' compensation insurers indicates a change in the existing schedule of rates, the commissioner may, in his discretion, order a change in the schedule of rates or order a hearing to determine whether and by what percentage the schedule of rates should be changed. A hearing held pursuant to this subdivision is not

subject to the contested case proceeding requirements of sections 79.071 and 79.072, notwithstanding section 79.076.

Sec. 12. Minnesota Statutes 1980, Section 79.071, is amended by adding subdivisions to read:

Subd. 8. When an insurer's estimate of amounts required to be reserved is based in any part on the operation of section 176.645, any assumption as to reserves required due to the operation of section 176.645, shall, for the purposes of determining rates, be offset by an assumption that the amount initially reserved shall be invested and yield a return equal to the annual percentage increase in the statewide average weekly wage. With respect to other reserved amounts, the commissioner shall, in determining rates, cause those rates to fully reflect the investment earnings of insurers which arise from revenues derived from the sale of workers' compensation insurance, either by use of a discount rate of no less than six percent in determining the reserves necessary for all claims, or by the use of an alternative methodology which the commissioner finds is more appropriate. Insurers shall provide the commissioner with any information which he deems necessary to arrive at the determination required by this subdivision.

Subd. 9. In no case shall more than one insurer reserve amounts in anticipation of losses on a single claim, nor shall an insurer reserve amounts in anticipation of losses which are the responsibility of the reinsurance association.

Subd. 10. No modification by an insurer or the association of an experience rating plan, an experience rating plan formula or an experience rating factor is effective unless approved by the commissioner of insurance.

Sec. 13. Minnesota Statutes 1980, Section 79.25, is amended to read:

79.25 [~~ASSOCIATION~~ COMMISSIONER TO FIX PREMIUM RATES.]

~~Subdivision 1.~~ When any rejected risk is called to its attention and it appears that the risk is in good faith entitled to coverage the ~~association~~ commissioner of insurance shall fix the initial premium therefor and may fix an additional charge to compensate the agent of record for his services and, upon its payment, the ~~association~~ commissioner of insurance shall enter into a service contract with one or more qualified ~~designate a member~~ members of the association, or qualified group self-insurance administrators licensed pursuant to section 176.181, subdivision 2, clause (2) (a), whose duty it shall be to issue a policy, or a group self-insurance administration contract, containing the usual and customary provisions found in such policies or contracts therefor, but for which undertaking all members of the association shall be reinsurers as among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by that member bears to the total compensation insurance written in this state during the preceding year by all the members of the association. The assigned risk plan shall be treated as a group self-insurer member of the reinsurance association for the purposes of sections 79.34 to 79.40 and shall be deemed to have selected the higher retention limit provided in section 79.34, subdivision 2. A qualified member or group self-insurance administrator shall possess sufficient financial, professional, administrative and personnel resources to serve the policies or self-insurance contracts contemplated in the service contract.

Subd. 2. An insurer that issues a policy pursuant to this section shall not receive an expense allowance that exceeds the expense allowance approved by the commissioner for other insurers.

Sec. 14. [79.251] [ADMINISTRATION OF ASSIGNED RISK PLAN.]

Subdivision 1. [ASSIGNED RISK PLAN REVIEW BOARD.] (1) An assigned risk plan review board is created for the purposes of review of the operation of sections 79.24 to 79.27. The board shall have all the usual powers and authorities necessary for the discharge of its duties under this section and may contract with individuals in discharge of those duties.

(2) The board shall consist of five members to be appointed by the commissioner of insurance. Two members shall be insureds holding policies issued pursuant to section 79.25. Two members shall be members of the association. The commissioner shall be the fifth member and shall vote.

Initial appointments shall be made by September 1, 1981 and terms shall be for three years duration. Removal, the filling of vacancies and compensation of the members other than the commissioner shall be as provided in section 15.059.

(3) The assigned risk review board shall audit the reserves established by insurers (a) for individual cases arising under policies issued under section 79.25 and (b) for the total book of business issued under section 79.25.

(4) The assigned risk review board shall monitor the operations of sections 79.24 to 79.27 and shall periodically make recommendations to the commissioner, and to the governor and legislature when appropriate, for improvement in the operation of those sections.

(5) All members of the association issuing policies under 79.25 shall pay and the commissioner shall receive and disburse, on behalf of the board, a .25 percent assessment on premiums for policies issued under section 79.25 for the purpose of defraying the costs of the assigned risk review board.

Subd. 2. [APPROPRIATE MERIT RATING PLAN.] The commissioner shall develop an appropriate merit rating plan which shall be applicable to all insureds holding policies issued pursuant to section 79.25 whose premium is less than the amount necessary to qualify for experience rating and to the insurers issuing those policies. The plan shall provide a maximum merit payment equal to ten percent of earned premium. The actual payment may vary with insured's loss experience.

Sec. 15. Minnesota Statutes 1980, Section 79.26, is amended to read:

79.26 [ASSOCIATION COMMISSIONER TO ADOPT RULES.]

The ~~association shall~~ commissioner of insurance may make and adopt such rules as may be necessary to carry this law into effect; ~~subject to an appeal to the commissioner as in all other cases.~~ Temporary rule-making authority is granted.

Sec. 16. Minnesota Statutes 1980, Section 79.27, is amended to read:

79.27 [APPLICATION.]

As a prerequisite to the transaction of workers' compensation insurance in this state every insurance carrier shall file with the commissioner of insurance

written authority permitting the ~~association~~ commissioner of insurance to act in its behalf, as provided in sections 79.24 to 79.27.

Sec. 17. Minnesota Statutes 1980, Section 79.34, Subdivision 1, is amended to read:

Subdivision 1. A nonprofit association known as the workers' compensation reinsurance association is created, which may be incorporated under chapter 317 with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.42 or any amendments thereto, sections 79.34 to 79.42 shall govern. Each insurer as defined by section 79.01, subdivision 2, shall as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and shall be bound by the plan of operation of the reinsurance association; *provided, that all affiliated insurers within a holding company system as defined in sections 60D.01 to 60D.13 shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association.* Each self-insurer approved pursuant to section 176.181 and each political subdivision which self-insures shall, as a condition of its authority to self-insure workers' compensation liability in this state, be a member of the reinsurance association and shall be bound by its plan of operation; *provided, that (a) all affiliated companies within a holding company system, as determined by the commissioner in a manner consistent with the standards and definitions in sections 60D.01 to 60D.13, shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association, and (b) all group self-insurers granted authority to self-insure pursuant to section 176.181 shall be considered a single entity for purposes of the exercise of all the rights and duties of membership in the reinsurance association.* The reinsurance association shall not be deemed a state agency. Actions of the reinsurance association and its board of directors and actions of the commissioner of insurance with respect to the reinsurance association shall not be subject to chapter 15. The reinsurance association shall be exempt from taxation under the laws of this state and all property owned by the association shall be exempt from taxation. The reinsurance association shall not be obligated to make any payments or pay any assessments to any funds or pools established pursuant to this chapter or chapter 176 or any other law.

Sec. 18. Minnesota Statutes 1980, Section 79.34, Subdivision 2, is amended to read:

Subd. 2. The reinsurance association shall provide and each member shall accept indemnification for 100 percent of the amount of ultimate loss sustained in each loss occurrence relating to one or more claims arising out of a single compensable event, including aggregate losses related to a single event or occurrence which constitutes a single loss occurrence, under chapter 176 on and after October 1, 1979, in excess of \$300,000 or \$100,000 retention limit, at the option of the member. In case of occupational disease causing disablement on and after October 1, 1979, each person suffering such disablement shall be considered to be involved in a separate loss occurrence. ~~Each~~ *The lesser* retention limit shall be increased to the nearest \$10,000, on January 1, 1981 1982 and on each January 1 thereafter by the percentage increase in the statewide average weekly wage, as determined in accordance with section 176.011, subdivision 20. *On January 1, 1982 and on each January 1 thereaf-*

ter, the greater retention limit shall be increased by the amount necessary to retain a \$200,000 difference between the two retention limits. Ultimate loss as used in this section means the actual loss amount which a member is obligated to pay and which is paid by the member for workers' compensation benefits payable under chapter 176 and shall not include claim expenses, assessments, damages or penalties. A loss is incurred by the reinsurance association on the date on which the accident or other compensable event giving rise to the loss occurs, and a member is liable for a loss up to its retention limit in effect at the time that the loss was incurred, except that members which are determined by the reinsurance association to be controlled by or under common control with another member, and which are liable for claims from one or more employees entitled to compensation for a single compensable event, including aggregate losses relating to a single loss occurrence, may aggregate their losses and obtain indemnification from the reinsurance association for the aggregate losses in excess of the higher retention limit in effect at the time the loss was incurred. Each member is liable for payment of its ultimate loss and shall be entitled to indemnification from the reinsurance association for the ultimate loss in excess of the member's retention limit in effect at the time of the loss occurrence.

A member that chooses the higher retention limit shall retain the liability for all losses below the higher retention limit itself and shall not transfer the liability to any other entity or reinsure or otherwise contract for reimbursement or indemnification for losses below its retention limit, except in the following cases: (a) when the reinsurance or contract is with another member which, directly or indirectly, through one or more intermediaries, control or are controlled by or are under common control with the member; (b) when the reinsurance or contract provides for reimbursement or indemnification of a member if and only if the total of all claims which the member pays or incurs, but which are not reimbursable or subject to indemnification by the reinsurance association for a given period of time, exceeds a dollar value or percentage of premium written or earned and stated in the reinsurance agreement or contract; (c) when the reinsurance or contract is a pooling arrangement with other insurers where liability of the member to pay claims pursuant to chapter 176 is incidental to participation in the pool and not as a result of providing workers' compensation insurance to employers on a direct basis under chapter 176; or ~~(d) any other reinsurance or contract approved by the commissioner upon his determination that the reinsurance or contract is not inconsistent with the bases for exception provided under clauses (a), (b) and (c) above~~ (d) when the reinsurance or contract is limited to all the claims of a specific insured of a member which are reimbursed or indemnified by a reinsurer which, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the insured of the member so long as any subsequent contract or reinsurance of the reinsurer relating to the claims of the insured of a member is not inconsistent with the bases of exception provided under clauses (a), (b) and (c) above; or (e) when the reinsurance or contract is limited to all claims of a specific self-insurer member which are reimbursed or indemnified by a reinsurer which, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the self-insurer member so long as any subsequent contract or reinsurance of the reinsurer relating to the claims of the self-insurer member are not inconsistent with the bases for exception provided under clauses (a), (b) and (c) above.

Whenever it appears to the commissioner that any member that chooses the higher retention limit has participated in the transfer of liability to any other entity or reinsured or otherwise contracted for reimbursement or indemnification of losses below its retention limit in a manner inconsistent with the bases

for exception provided under clauses (a), (b), (c), (d), and (e), the commissioner may, after giving notice and an opportunity to be heard, order the member to pay to the state of Minnesota an amount not to exceed twice the difference between the reinsurance premium for the higher and lower retention limit applicable to the member for each year in which the prohibited reinsurance or contract was in effect. Any member subject to this penalty provision shall continue to be bound by its selection of the higher retention limit for purposes of membership in the reinsurance association.

Sec. 19. Minnesota Statutes 1980, Section 79.35, is amended to read:

79.35 [DUTIES; RESPONSIBILITIES; POWERS.]

The reinsurance association shall do the following on behalf of its members:

- (a) Assume 100 percent of the liability as provided in section 79.34;
- (b) Establish procedures by which members shall promptly report to the reinsurance association each claim which, on the basis of the injury sustained, may reasonably be anticipated to involve liability to the reinsurance association if the member is held liable under chapter 176. Solely for the purpose of reporting claims, the member shall in all instances consider itself legally liable for the injury. The member shall advise the reinsurance association of subsequent developments likely to materially affect the interest of the reinsurance association in the claim;
- (c) Maintain relevant loss and expense data relative to all liabilities of the reinsurance association and require each member to furnish statistics in connection with liabilities of the reinsurance association at the times and in the form and detail as may be required by the plan of operation;
- (d) Calculate and charge to members a total premium sufficient to cover the expected liability which the reinsurance association will incur in excess of the higher retention limit but less than ~~\$500,000~~ *the prefunded limit*, together with incurred or estimated to be incurred operating and administrative expenses for the period to which this premium applies and actual claim payments to be made by members, during the period to which this premium applies, for claims in excess of ~~\$500,000~~ *for the period to which this premium is applicable the prefunded limit in effect at the time the loss was incurred. The prefunded limit shall be \$2,500,000 on and after October 1, 1979, provided that the prefunded limit shall be increased on January 1, 1983 and on each January 1 thereafter by the percentage increase in the statewide average weekly wage, to the nearest \$100,000, as determined in accordance with section 176.011, subdivision 20.* Each member shall be charged a proportion of the total premium in an amount equal to its proportion of the total standard earned premium of all members during the period to which the reinsurance association premium will apply, as determined by the commissioner. Each member exercising the lower retention option shall also be charged a premium established by the board as sufficient to cover incurred or estimated to be incurred claims for the liability the reinsurance association is likely to incur between the lower and higher retention limits for the period to which the premium applies. Each ~~member's premium~~ *member*

shall include an amount also be charged a premium determined by the board to equitably distribute excess or deficient premiums from previous periods including any excess or deficient premiums resulting from a retroactive change in the prefunded limit. An equitable basis for determining standard earned premium for self-insurers shall be established by the commissioner. The premiums charged to members shall not be unfairly discriminatory as defined in section 79.074. All premiums shall be approved by the commissioner;

(e) Require and accept the payment of premiums from members of the reinsurance association;

(f) Receive and distribute all sums required by the operation of the reinsurance association;

(g) Establish procedures for reviewing claims procedures and practices of members of the reinsurance association. If the claims procedures or practices of a member are considered inadequate to properly service the liabilities of the reinsurance association, the reinsurance association may undertake, or may contract with another person, including another member, to adjust or assist in the adjustment of claims which create a potential liability to the association and may charge the cost of the adjustment to the member; and

(h) Provide each member of the reinsurance association with an annual report of the operations of the reinsurance association in a form the board of directors may specify.

Sec. 20. Minnesota Statutes 1980, Section 79.36, is amended to read:

79.36 [ADDITIONAL POWERS.]

In addition to the powers granted in section 79.35, the reinsurance association may do the following:

(a) Sue and be sued. A judgment against the reinsurance association shall not create any direct liability against the individual members of the reinsurance association. The reinsurance association shall provide in the plan of operation for the indemnification, to the extent provided in the plan of operation, of the members, members of the board of directors of the reinsurance association, and officers, employees and other persons lawfully acting on behalf of the reinsurance association;

(b) Reinsure all or any portion of its potential liability, including potential liability in excess of \$500,000 the prefunded limit, with reinsurers licensed to transact insurance in this state or otherwise approved by the commissioner;

(c) Provide for appropriate housing, equipment, and personnel as may be necessary to assure the efficient operation of the reinsurance association;

(d) Contract for goods and services, including but not limited to independent claims management, actuarial, investment, and legal services from others within or without this state to assure the efficient operation of the reinsurance association;

(e) Adopt operating rules, consistent with the plan of operation, for the administration of the reinsurance association, enforce those operating rules, and delegate authority as necessary to assure the proper administration and operation of the reinsurance association;

(f) Intervene in or prosecute at any time, including but not limited to inter-

vention or prosecution as subrogee to the member's rights in a third party action, any proceeding under this chapter or chapter 176 in which liability of the reinsurance association may, in the opinion of the board of directors of the reinsurance association or its designee, be established, or the reinsurance association affected in any other way;

(g) The net proceeds derived from intervention or prosecution of any subrogation interest, or other recovery, shall first be used to reimburse the reinsurance association for amounts paid or payable pursuant to this chapter, together with any expenses of recovery, including attorney's fees, and any excess shall be paid to the member or other person entitled thereto, as determined by the board of directors of the reinsurance association, unless otherwise ordered by a court.

(h) Hear and determine complaints of a company or other interested party concerning the operation of the reinsurance association; and

(i) Perform other acts not specifically enumerated in this section which are necessary or proper to accomplish the purposes of the reinsurance association and which are not inconsistent with sections 79.34 to 79.42 or the plan of operation.

Sec. 21. [79.50] [PURPOSES.]

The purposes of chapter 79 are to:

(a) *Promote public welfare by regulating insurance rates so that premiums are not excessive, inadequate, or unfairly discriminatory;*

(b) *Promote quality and integrity in the data bases used in workers' compensation insurance ratemaking;*

(c) *Prohibit price fixing agreements and anticompetitive behavior by insurers;*

(d) *Promote price competition and provide rates that are responsive to competitive market conditions;*

(e) *Provide a means of establishment of proper rates if competition is not effective;*

(f) *Define the function and scope of activities of data service organizations;*

(g) *Provide for an orderly transition from regulated rates to competitive market conditions; and*

(h) *Encourage insurers to provide alternative innovative methods whereby employers can meet the requirements imposed by section 176.181.*

Sec. 22. [79.51] [RULES.]

Subdivision 1. [ADOPTION; WHEN.] The commissioner shall adopt rules to implement provisions of chapter 79. The rules shall be finally adopted after May 1, 1982. By January 15, 1982, the commissioner shall provide the legislature a description and explanation of the intent and anticipated effect of the rules on the various factors of the rating system.

Subd. 2. [TRANSITION PERIOD; RULES GOVERN.] Insurance rates from July 1, 1983, to December 31, 1985, shall be determined in accordance with rules adopted by the commissioner. The rules shall require (1) that a

hearing be held pursuant to the provisions of section 79.071 to consider any petition requesting modification of rates and (2) that following the hearing the commissioner shall adopt a schedule of rates.

Subd. 3. [RULES; SUBJECT MATTER.] (a) The commissioner in issuing rules shall consider:

(1) Data reporting requirements, including types of data reported, such as loss and expense data;

(2) Experience rating plans;

(3) Retrospective rating plans;

(4) General expenses and related expense provisions;

(5) Minimum premiums;

(6) Classification systems and assignment of risks to classifications;

(7) Loss development and trend factors;

(8) The workers' compensation reinsurance association;

(9) Restrictions, prohibitions, and requirements with respect to the activities of the workers' compensation insurers rating association of Minnesota during the period from July 1, 1983 to January 1, 1986;

(10) Requiring substantial compliance with the rules mandated by this section as a condition of workers' compensation carrier licensure;

(11) Imposing limitations on the functions of workers' compensation data service organizations consistent with the introduction of competition;

(12) The rules contained in the workers' compensation rating manual adopted by the workers' compensation insurers rating association; and

(13) Any other factors that the commissioner deems relevant to achieve the purposes of chapter 79.

(b) The rules shall provide for the following:

(1) Competition in workers' compensation insurance rates in such a way that the advantages of competition are introduced with a minimum of employer hardship during the transition period;

(2) Adequate safeguards against excessive or discriminatory rates in workers' compensation during the transition period;

(3) Encouragement of workers' compensation insurance rates which are as low as reasonably necessary, but shall make provision against inadequate rates, insolvencies and unpaid benefits;

(4) Assurances that employers are not unfairly relegated to the assigned risk pool;

(5) Requiring all appropriate data and other information from insurers for the purpose of issuing rules and making legislative recommendations pursuant to this section; and

(6) Preserving a framework for risk classification, data collection, and other appropriate joint insurer services where these will not impede the introduction

of competition in premium rates.

(c) The rules shall expire on January 1, 1986.

Subd. 4. [ADVISORY COMMITTEE.] *The commissioner shall appoint an advisory committee which shall offer recommendations regarding rulemaking under this section. The advisory committee shall include representatives of insurers, employers, and employees.*

Sec. 23. [79.52] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] *The following words or phrases shall have the meanings ascribed to them for the purposes of chapter 79, unless the context clearly indicates that a different meaning is intended.*

Subd. 2. [MARKET.] *"Market" means any reasonable grouping or classification of employers.*

Subd. 3. [DATA SERVICE ORGANIZATION.] *"Data service organization" means any entity which has ten or more members or is controlled directly or indirectly by ten or more insurers and is engaged in collecting data for use in insurance ratemaking or other activities permitted by chapter 79. Affiliated members or insurers shall be counted as a single unit for the purpose of this definition. The workers' compensation insurers rating association of Minnesota shall be considered a data service organization.*

Subd. 4. [CLASSIFICATION PLAN; CLASSIFICATION.] *"Classification plan" or "classification" means the plan, system, or arrangement for rating insurance policyholders.*

Subd. 5. [RATES.] *"Rates" means the cost of insurance per-exposure base unit.*

Subd. 6. [BASE PREMIUM.] *"Base premium" means the amount of premium which an employer would pay for insurance derived by applying rates to an exposure base prior to the application of any merit rating or discount factors.*

Subd. 7. [PREMIUM.] *"Premium" means the price charged to an insured for insurance for a specified period of time, regardless of the timing of actual payments.*

Subd. 8. [DISCOUNT FACTOR.] *"Discount factor" means any factor which is applied to the base premium and which is based upon insurer expenses or other factors not related to the risk of loss.*

Subd. 9. [MERIT RATING.] *"Merit rating" means a system or form of rating by which base premium is modified on the basis of loss experience or other factors which are reasonably related to loss or risk of loss and which may be reasonably affected by the action or activities of the insured. The sensitivity of a merit rating system to loss experience may vary by the size of risk. Merit rating shall include both prospective and retrospective methods for modifying base premium.*

Subd. 10. [LOSS DEVELOPMENT FACTORS.] *"Loss development factors" means factors applied to recorded incurred losses to estimate the amount of ultimate loss payments that will have been made for losses during the applicable period when all claims are paid.*

Subd. 11. [TREND OR TRENDING.] "Trend" or "trending" means any procedure employing data for the purpose of projecting or forecasting the future value of that data or other data, or the factors resulting from such a procedure.

Subd. 12. [INTERESTED PARTY.] "Interested party" means any person, or association acting on behalf of its members, directly affected by a change in the schedule of rates and includes the staff of the insurance division.

Subd. 13. [INSURER.] "Insurer" means any insurer licensed to transact the business of workers' compensation insurance in this state.

Subd. 14. [INSURANCE.] "Insurance" means workers' compensation insurance.

Subd. 15. [RATING PLAN.] "Rating plan" means every manual, and every other rule including discount factors and merit rating necessary for the calculation of an insured's premium from an insurer's rates. An insurer may choose to adopt for use the rating plan of the data service organization in which it maintains membership.

Sec. 24. [79.53] [PREMIUM CALCULATION.]

Each insurer shall establish premiums to be paid by an employer according to its filed rates and rating plan as follows:

Rates shall be applied to an exposure base to yield a base premium which may be further modified by merit rating, premium discounts, and other appropriate factors contained in the rating plan of an insurer to produce premium. Nothing in this chapter shall be deemed to prohibit the use of any premium, provided the premium is not excessive, inadequate or unfairly discriminatory.

Sec. 25. [79.54] [COMPETITIVE MARKET PRESUMPTION.]

A competitive market is presumed to exist until the commissioner, after a hearing on the record, determines that a reasonable degree of competition does not exist and issues an order to that effect. The order shall include the conditions and procedures under which a determination of insufficient competition shall expire.

Sec. 26. [79.55] [STANDARDS FOR RATES.]

Subdivision 1. [GENERAL STANDARDS.] Premiums shall not be excessive, inadequate, or unfairly discriminatory.

Subd. 2. [EXCESSIVENESS.] No premium is excessive in a competitive market. In the absence of a competitive market, premiums are excessive if the expected underwriting profit, together with expected income from invested reserves for the market in question, that would accrue to an insurer would be unreasonably high in relation to the risk undertaken by the insurer in transacting the business.

Subd. 3. [INADEQUACY.] Premiums are inadequate if, together with the investment income associated with an insurer's Minnesota workers' compensation insurance business, they are clearly insufficient to sustain projected losses and expenses of the insurer and (a) if their continued use could lead to an insolvent situation for the insurer; or (b) if their use destroys or lessens competition or is likely to destroy or lessen competition.

Subd. 4. [UNFAIR DISCRIMINATION.] Premiums are unfairly discriminatory if differentials for insureds fail to reasonably reflect the differences in expected losses and expenses to the insurer attributable to the insureds. Rates are not unfairly discriminatory solely because different premiums result for insureds with like loss exposures but different expense factors, or like expense factors but different loss exposures, provided that rates reflect the differences with reasonable accuracy.

Sec. 27. [79.56] [FILING RATES AND RATING INFORMATION.]

Subdivision 1. [AFTER EFFECTIVE DATE.] Each insurer shall file with the commissioner a complete copy of its rates and rating plan, and all changes and amendments thereto, within 15 days after their effective dates. An insurer need not file a rating plan if it uses a rating plan filed by a data service organization. If an insurer uses a rating plan of a data service organization but deviates from it, then all deviations must be filed by the insurer.

Subd. 2. [BEFORE EFFECTIVE DATE.] The commissioner may order an insurer to file rates at least 30 days before the effective date of the rates (a) if the commissioner determines, based upon reasonable evidence, that an order is appropriate because of the insurer's financial condition or (b) due to a prior finding of unfairly discriminatory rating practices; or (c) due to a prior finding of inadequate rates. The order may require that supplementary rate and supporting information be included in a filing.

Subd. 3. [PENALTIES.] Any insurer using a rate or a rating plan which has not been filed shall be subject to a fine of up to \$100 for each day the failure to file continues. The commissioner may, after a hearing on the record, find that the failure is willful. A willful failure to meet filing requirements shall be punishable by a fine of up to \$500 for each day during which a willful failure continues. These penalties shall be in addition to any other penalties provided by law.

Subd. 4. [PUBLIC INSPECTION.] All filings shall be open to public inspection during normal business hours at the offices of the insurance division.

Sec. 28. [79.57] [FILING RATES; NONCOMPETITIVE MARKET.]

Upon making a determination that a market is not competitive, the commissioner shall require rates for use in that market to be filed 30 days prior to their effective date. The filing shall include, in a form prescribed by the commissioner, an explanation of the rates and any data supporting the use of the rates which are not on file with a data service organization.

The commissioner may issue an order for a hearing at any time prior to the effective date of the rates and the rates shall not become effective until the commissioner has ruled on the rates following the hearing.

The commissioner may disapprove the rates subsequent to their effective date, except that rates so disapproved shall remain effective until the commissioner issues an order following a hearing.

Sec. 29. [79.58] [DISAPPROVAL OF RATES OR RATING PLANS.]

Subdivision 1. [RATES.] A rate filed by an insurer may be disapproved by the commissioner subsequent to its effective date. Following a disapproval and prior to a refiling the insurer shall use the rates as reasonably established by

the commissioner.

The commissioner shall disapprove a rate if, after a hearing on the record, he finds that:

(a) The premium is inadequate or unfairly discriminatory; or

(b) A competitive market for workers' compensation does not exist and rates are excessive; or

(c) The insurer failed to comply with filing requirements.

A rehearing shall be held within 30 days of any disapproval under this section at the request of the insurer whose rates are disapproved.

Subd. 2. [RATING PLANS.] The commissioner may disapprove a rating plan of a data service organization if, after a hearing, the commissioner finds that it is unfairly discriminatory. Any order of disapproval shall require the data service organization to use an alternative rating plan until approval of a rating plan by the commissioner. The commissioner shall not approve any rating plan based upon any data other than Minnesota data, except that other data may be utilized as a supplement to Minnesota data when the commissioner determines that an exceptional case requires such data to establish the statistical credibility of an occupational classification.

Sec. 30. [79.59] [INSURERS AND DATA SERVICE ORGANIZATIONS; PROHIBITED ACTIVITIES.]

Subdivision 1. [MONOPOLIZATION.] No insurer or data service organization shall attempt to monopolize or combine or conspire with any other person to monopolize the business of insurance.

Subd. 2. [AGREEMENT PROHIBITED.] No insurer shall agree with any other insurer or with a data service organization to adhere to or to use any rate, rating plan, rating schedule, rating rule, or underwriting rule except as specifically authorized by chapter 79 or for the purpose of creating experience modifications for employers with employees in more than one state.

Subd. 3. [TRADE RESTRAINT.] No insurer or data service organization shall make an agreement with any other insurer, data service organization, or other person which has the purpose or the effect of restraining trade or of substantially lessening competition.

Subd. 4. [EXCEPTIONS.] The fact that insurers writing not more than 25 percent of the workers' compensation premiums in Minnesota use the same rates, rating plans, rating schedules, rating rules, underwriting rules, or similar materials shall not alone constitute a violation of subdivisions 1 or 2.

Two or more insurers under common ownership or operating under common management or control may act in concert between or among themselves with respect to matters authorized under chapter 79 as if they constituted a single insurer, provided that the rating plan of such insurers shall be considered to be a single plan for the purposes of determining unfair discrimination.

Subd. 5. [ADDITIONAL PROHIBITION.] In addition to other prohibitions contained in this chapter, no data service organization shall:

(a) Refuse to supply any service for which it is licensed or any data, except for data identifiable to an individual insurer, to any insurer authorized to do

business in this state which offers to pay the usual compensation for the service or data;

(b) Require the purchase of any specific service as a condition to obtaining any other services sought;

(c) Participate in the development or distribution of rates, rating plans, or rating rules except as specifically authorized by this chapter or by rules adopted pursuant to this chapter; or

(d) Refuse membership to any licensed insurer.

Sec. 31. [79.60] [INSURERS; REQUIRED AND PERMITTED ACTIVITY.]

Subdivision 1. [REQUIRED ACTIVITY.] Each insurer shall perform the following activities:

(a) Maintain membership in and report loss experience data to a licensed data service organization in accordance with the statistical plan and rules of the organization as approved by the commissioner;

(b) Establish a plan for merit rating which shall be consistently applied to all insureds, provided that members of a data service organization may use merit rating plans developed by that data service organization;

(c) Provide an annual report to the commissioner containing the information and prepared in the form required by the commissioner; and

(d) Keep a record of the premiums and losses paid under each workers' compensation policy written in Minnesota in the form required by the commissioner.

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by chapter 79, insurers may:

(a) Through licensed data service organizations, individually, or with insurers commonly owned, managed, or controlled, conduct research and collect statistics to investigate, identify, and classify information relating to causes or prevention of losses;

(b) Develop and use classification plans and rates based upon any reasonable factors; and

(c) Develop rules for the assignment of risks to classifications.

Sec. 32. [79.61] [DATA SERVICE ORGANIZATIONS; REQUIRED AND PERMITTED ACTIVITY.]

Subdivision 1. [REQUIRED ACTIVITY.] Any data service organization shall perform the following activities:

(a) File statistical plans, including classification definitions, amendments to the plans, and definitions, with the commissioner for approval, and assign each compensation risk written by its members to its approved classification for reporting purposes;

(b) Establish requirements for data reporting and monitoring methods to maintain a high quality data base;

(c) Prepare and distribute a periodic report, in a form prescribed by the

commissioner, on ratemaking including, but not limited to the following elements:

- (i) development factors and alternative derivations;
- (ii) trend factors and alternative derivations and applications;
- (iii) pure premium relativities for the approved classification system for which data are reported, provided that the relativities for insureds engaged in similar occupations and presenting substantially similar risks shall, if different, differ by at least ten percent; and
- (iv) an evaluation of the effects of changes in law on loss data.

The report shall also include explicit discussion and explanation of methodology, alternatives examined, assumptions adopted, and areas of judgment and reasoning supporting judgments entered into, and the effect of various combinations of these elements on indications for modification of an overall pure premium rate level change. The pure premium relativities and rate level indications shall not include a loading for expenses or profit and no expense or profit data or recommendations relating to expense or profit shall be included in the report or collected by a data service organization;

(d) Collect, compile, summarize, and distribute data from members or other sources pursuant to a statistical plan approved by the commissioner;

(e) Prepare merit rating plan and calculate any variable factors necessary for utilization of the plan. Such a plan may be used by any of its members, at the option of the member provided that the application of a plan shall not result in rates that are unfairly discriminatory;

(f) Provide loss data specific to an insured to the insured at a reasonable cost;

(g) Distribute information to an insured or interested party that is filed with the commissioner and is open to public inspection; and

(h) Assess its members for operating expenses on a fair and equitable basis.

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by chapter 79, any data service organization may:

(a) Collect and analyze data in order to investigate, identify, and classify information relating to causes or prevention of losses;

(b) Make inspections for the sole purpose of reporting and maintaining data quality;

(c) Contract with another data service organization to fulfill any of the above requirements; and

(d) Prepare and file with the commissioner a rating plan for use by any of its members, provided that no member may be required to use any part of the plan.

Sec. 33. [79.62] [DATA SERVICE ORGANIZATIONS; LICENSING, EXAMINATION.]

Subdivision 1. [LICENSE REQUIRED.] No data service organization shall provide any service and no insurer shall use the services of a data service organization unless the organization is licensed by the commissioner.

Subd. 2. [PROCEDURE; APPLICATION.] A data service organization shall apply for a license in a form and manner prescribed by the commissioner. The application of a data service organization shall include:

(a) A copy of its constitution, articles of incorporation, bylaws, and other rules pertaining to the conduct of its business;

(b) A plan and narrative describing how it will perform the activities required by section 32;

(c) A statement showing its technical qualifications; and

(d) Any other information that the commissioner may reasonably require.

Subd. 3. [ISSUANCE.] The commissioner, upon finding that the applicant organization is qualified to provide the services required and proposed, or has contracted with a licensed data service organization to purchase these services which are required by chapter 79 but are not provided directly by the applicant, and that all requirements of law are met, shall issue a license. Licenses shall remain in effect until the licensee withdraws from business or until the license is suspended or revoked.

Subd. 4. [SUSPENSION; REVOCATION.] The commissioner may, after a hearing on the record, revoke or suspend the license of a data service organization if he finds that the organization is not in compliance with the requirements of chapter 79 or rules issued thereunder.

Subd. 5. [LICENSEE EXAMINATION.] The commissioner may examine any licensed data service organization to determine whether its activities and practices comply with law. The cost of the examination shall be paid by the examined organization.

Sec. 34. [79.63] [ASSIGNED RISK PLAN.]

Subdivision 1. [ADMINISTRATION.] The commissioner shall appoint a licensed data service organization to administer the assigned risk plan. The appointed data service organization shall submit to the commissioner for approval a plan and rules for administering the assigned risk plan, including a method or formula by which the organization is to be paid for administrative services.

Subd. 2. [REJECTION; NOTICE.] An insurer that refuses to write insurance for an applicant shall furnish the applicant a written notice of refusal and shall file a copy of the notice of refusal with the data service organization appointed pursuant to subdivision 1. Servicing insurers designated pursuant to subdivision 3 shall accept and insure any applicant for workers' compensation insurance assigned pursuant to subdivision 3.

Subd. 3. [ASSIGNMENT.] An insurer or insurers shall be designated by the data service organization appointed pursuant to subdivision 1 to issue a policy of workers' compensation insurance to an applicant which has been refused insurance. A policy shall contain the usual and customary provisions of workers' compensation insurance policies, but for which undertaking all insurers doing workers' compensation business in this state shall be reinsurers among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by each insurer bears to the total compensation insurance written in this state during that calendar year by all

insurers.

An insurer that issues a policy pursuant to this section shall receive an expense allowance which shall be adequate for services rendered, as approved by the commissioner.

Subd. 4. [PENALTY.] The commissioner may revoke the license of an insurer or agent for refusing or failing to provide an applicant with written refusal pursuant to subdivision 2 or for any other violation of this section or of the approved rules of a data service organization.

Subd. 5. [ASSIGNED RISK RATES.] Insureds served by the workers' compensation insurance assigned risk plan shall be charged premiums based upon a rating plan, rates, and a merit rating plan adopted by the commissioner by rule. This rating plan shall include a feature by which rates shall vary in relation to the number or proportion of insureds in the assigned risk plan in the preceding calendar year. This relationship shall be such that assigned risk rates shall vary upward as the number or proportion of insureds in the assigned risk plan decreases and downward as the number or proportion increases. Assigned risk premiums shall not be lower than the rates generally charged by insurers for the business.

Sec. 35. Minnesota Statutes 1980, Section 60C.04, is amended to read:

60C.04 [CREATION.]

All insurers subject to the provisions of Laws 1971, Chapter 145 shall form an organization to be known as the Minnesota insurance guaranty association. All insurers defined as member insurers in section 60C.03, subdivision 6, are and shall remain members of the association as a condition of their authority to transact insurance business or to execute surety bonds in this state. The association shall perform its functions under a plan of operation established and approved under section 60C.07 and shall exercise its powers through a board of directors established under section 60C.08. For purposes of administration and assessment the association shall be divided into ~~four~~ five separate accounts: (1) the automobile insurance account, (2) the township mutuals account, (3) the fidelity and surety bond account ~~and~~, (4) the account for all other insurance to which Laws 1971, Chapter 145 applies, *and* (5) the workers' compensation insurance account.

Sec. 36. Minnesota Statutes 1980, Section 60C.09, Subdivision 2, is amended to read:

Subd. 2. [LIMITATION OF AMOUNT.] Payment of a covered claim is limited to the amount by which the allowance on any claim exceeds \$100 and is less than \$300,000. The limitation on the amount of payment for a covered claim does not apply to claims for workers' compensation insurance. In no event is the association obligated to the policyholder or claimant in an amount in excess of the obligation of the insurer under the policy from which the claim arises.

Sec. 37. Minnesota Statutes 1980, Section 79.071, Subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt a schedule of workers' compensation insurance rates for use in this state for each classification under which business is written *until January 1, 1986*. The schedule of rates shall not be

excessive, inadequate, or unfairly discriminatory. In adopting a schedule of rates, the commissioner may act on the written petition of the association or any other interested party requesting that a hearing be held for modification of the schedule of rates. The commissioner may include the expense of a reasonable charge for the services of an agent of record, for the service of rejected risks as set forth in sections 79.24 to 79.27.

Sec. 38. Minnesota Statutes 1980, Section 175.007, is amended to read:

175.007 [ADVISORY COUNCIL ON WORKERS' COMPENSATION; CREATION.]

Subdivision 1. The commissioner of labor and industry shall appoint, after consultation with the judges of the workers' compensation court of appeals, an advisory council on workers' compensation, which shall consist of five representatives of employers and five representatives of employees and three members representing the general public. *The council may consult with the judges of the workers' compensation court of appeals shall be nonvoting members of the advisory council.* The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.

Subd. 2. The advisory council shall study and present to the legislature and the governor, on or before November 15 of each even numbered year, its findings relative to the costs, methods of financing, and the formula to be used to provide supplementary compensation to workers who have been determined permanently and totally disabled prior to July 1, 1969, and its findings relative to alterations in the scheduled benefits for permanent partially disabled, and other aspects of the workers' compensation act. *The council shall also study and present to the legislature and the governor on or before November 15 of 1981 and by November 15 of each even numbered year thereafter a report on the financial, administrative and personnel needs of the workers' compensation division.*

Sec. 39. Minnesota Statutes 1980, Section 175.11, Subdivision 1, is amended to read:

Subdivision 1. The workers' compensation division and the workers' compensation court of appeals shall each have a seal for the authentication of its orders and proceedings, upon which shall be inscribed the words, "Workers' Compensation Division of Minnesota" or "Workers' Compensation Court of Appeals of Minnesota" respectively, as the division or workers' compensation court of appeals may prescribe. The courts of this state shall take judicial notice of such seal and of the signatures of the judges of the workers' compensation court of appeals; and in all cases copies of orders, proceedings, or records of the division or workers' compensation court of appeals, certified by a judge of the workers' compensation court of appeals under his seal the commissioner, shall be received in evidence, with the same force and effect given to the originals.

Sec. 40. Minnesota Statutes 1980, Section 175.14, is amended to read:

175.14 [TRAVELING EXPENSES.]

The workers' compensation judges of the court of appeals and the commissioner of labor and industry and the officers, assistants, and employees of the workers' compensation court of appeals and department shall be paid out of the

state treasury their actual and necessary expenses while traveling on the business of the ~~workers' compensation court of appeals~~ or department. Vouchers for such expenses shall be itemized and sworn to by the persons incurring the expense, and be subject to the approval of ~~the workers' compensation court of appeals~~ or the commissioner of labor and industry.

Sec. 41. Minnesota Statutes 1980, Section 175.17, is amended to read:

175.17 [POWERS AND DUTIES, ~~WORKERS' COMPENSATION COURT OF APPEALS,~~ AND COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY.]

(1) ~~The workers' compensation court of appeals shall principally exercise appellate jurisdiction under the laws relating to workers' compensation and the laws governing employees of the state, a county, or other governmental subdivision who contract tuberculosis;~~

(2) The commissioner of the ~~department of labor and industry~~ shall administer the laws relating to workers' compensation and the laws governing employees of the state, a county, or other governmental subdivisions who contract tuberculosis;

(3) (2) ~~The workers' compensation court of appeals and the commissioner of the department of labor and industry shall jointly prescribe~~ *adopt* reasonable and proper rules ~~and regulations~~ governing rules of practice before the workers' compensation division in ~~nonappellate matters which are not before a compensation judge;~~

(4) ~~The workers' compensation court of appeals shall prescribe rules of practice before it in appellate matters;~~

(5) (3) The commissioner of the ~~department of labor and industry~~ shall collect, collate, and publish statistical and other information relating to work under ~~its the department's~~ jurisdiction and make public reports in his judgment necessary, including such other reports as may be required by law;

(6) (4) The commissioner of the ~~department of labor and industry~~ shall establish and maintain branch offices as needed for the conduct of the affairs of the workers' compensation division.

Sec. 42. [175A.01] [CREATION.]

Subdivision 1. [MEMBERSHIP, APPOINTMENT, QUALIFICATIONS.]
The workers' compensation court of appeals as previously constituted is re-constituted as an independent agency in the executive branch.

The workers' compensation court of appeals shall consist of five judges each serving in the unclassified service. The five judges shall be learned in the law. Each judge of the workers' 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 commencing at the expiration of the preceding term. Any vacancy shall be filled by the governor for the unexpired term, subject to confirmation by the senate. The terms of the judges shall expire on the first Monday in January of the year in which they expire. The terms of the judges shall be staggered. The judges of the workers' compensation court of appeals as now created shall be the judges of the workers' compensation court of appeals until the expiration of the terms for which they have been appointed and qualified.

They shall be selected on the basis of their experience with and knowledge of workers' compensation and the workers' compensation laws of Minnesota. The judges of the workers' compensation court of appeals shall be subject to the provisions of the Minnesota Constitution, Article VI, Section 6, the jurisdiction of the commission on judicial standards, as provided in sections 490.15 and 490.16, and the provisions of the code of judicial conduct.

Subd. 2. [JURISDICTION.] The workers' compensation court of appeals shall have statewide jurisdiction. Except for an appeal to the supreme court or any other appeal allowed under this subdivision, the workers' compensation court of appeals shall be the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the workers' compensation laws of the state in those cases that have been appealed to the workers' compensation court of appeals and in any case that has been transferred by the district court to the workers' compensation court of appeals. The workers' compensation court of appeals shall have no jurisdiction in any case that does not arise under the workers' compensation laws of the state or in any criminal case, provided that the workers' compensation court of appeals shall exercise appellate jurisdiction under the laws governing employees of the state, a county, or other governmental subdivision who contract tuberculosis and under chapter 352E.

Subd. 3. [OATH.] Each judge of the workers' compensation court of appeals before entering upon the duties of his office, shall take the oath prescribed by law.

Sec. 43. [175A.02] [OFFICERS.]

The judges of the workers' compensation court of appeals shall choose a chief judge from among their number. The chief judge shall appoint one of the judges to serve as the administrator, who shall be custodian of the court's files and records and shall coordinate and make hearing assignments. The judge who is appointed the administrator may delegate the duties of administrator to an employee chosen to be the assistant administrator. The clerk of district court in each county shall be the clerk of the workers' compensation court of appeals in that county. Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the workers' compensation court of appeals and in cases originally commenced in district court and transferred to the workers' compensation court of appeals shall be retained by the clerk of district court. The workers' compensation court of appeals clerk in each county shall be subject to the supervision of the administrator in workers' compensation court of appeals matters.

Sec. 44. [175A.03] [POLITICAL NONPARTICIPATION.]

Every judge of the workers' compensation court of appeals and every officer or employee of the workers' compensation court of appeals who by solicitation or otherwise exerts his influence, directly or indirectly, to induce other officers or employees of the state to adopt his political views, or to favor any particular person or candidate for office, or to contribute funds for campaign or political purposes, shall be removed from his office or position by the authority appointing him.

Sec. 45. [175A.04] [OFFICE.]

The workers' compensation court of appeals shall maintain its main office

within the Minneapolis-St. Paul metropolitan area and be provided by the commissioner of administration with suitable rooms and necessary furniture. The offices of the workers' compensation court of appeals and the department of labor and industry shall be in separate buildings. The court may hold sessions at any other place in the state when their convenience and that of the parties interested so requires.

Sec. 46. [175A.05] [QUORUM.]

A majority of the judges of the workers' compensation court of appeals shall constitute a quorum for the exercise of the powers conferred and the duties imposed on the workers' compensation court of appeals and all appeals shall be heard by at least three of the five judges. A vacancy shall not impair the ability of the remaining judges of the workers' compensation court of appeals to exercise all the powers and perform all of the duties of the workers' compensation court of appeals.

Sec. 47. [175A.06] [SESSIONS TO BE PUBLIC.]

The hearings of the workers' compensation court of appeals shall be open to the public and may be adjourned from time to time. All the proceedings of the court shall be shown on its records, which shall be public records.

Sec. 48. [175A.07] [POWERS.]

Subdivision 1. [PROCESS; PROCEDURES.] The workers' compensation court of appeals shall keep such record of all its proceedings as it deems appropriate and shall issue necessary processes, writs, warrants, and notices which the workers' compensation court of appeals is required or authorized to issue. Notices and other documents required to be served or filed on the workers' compensation court of appeals shall be served on the administrator of the court or his delegate.

Subd. 2. [PERSONNEL.] The judges of the workers' compensation court of appeals shall appoint in the manner provided by law all personnel required by the workers' compensation court of appeals. The commissioner of administration shall provide the court with necessary additional staff and administrative services, and the court shall reimburse the commissioner for the cost of these services.

Subd. 3. [POWER TO REVIEW.] The workers' compensation court of appeals shall have the powers of review provided in chapter 176.

Subd. 4. [RULES.] The workers' compensation court of appeals shall prescribe rules of practice before it in appellate matters.

Sec. 49. [175A.08] [SEAL.]

The workers' compensation court of appeals shall have a seal for the authentication of its orders and proceedings, upon which shall be inscribed the words, "Workers' Compensation Court of Appeals of Minnesota" as the court of appeals may prescribe. The courts of this state shall take judicial notice of such seal and of the signatures of the judges of the workers' compensation court of appeals; and in all cases copies of orders, proceedings, or records of the workers' compensation court of appeals, certified by a judge of the workers' compensation court of appeals under its seal, shall be received in evidence, with the same force and effect given to the originals.

Sec. 50. [175A.09] [TRAVEL EXPENSES.]

The workers' compensation judges of the court of appeals and the officers, assistants, and employees of the workers' compensation court of appeals shall be paid out of the state treasury their actual and necessary expenses while traveling on the business of the workers' compensation court of appeals. Vouchers for such expenses shall be itemized and sworn to by the persons incurring the expense, and be subject to the approval of the workers' compensation court of appeals.

Sec. 51. [175A.10] [APPEALS AND REVIEWS.]

Unless an appeal is taken to the district court, the right of appeal provided in chapter 176 shall be the exclusive remedy for reviewing the actions of the commissioner, the workers' compensation division or a compensation judge in a matter arising under chapter 176. On any appeal taken by an employee or an employer or insurer to the workers' compensation court of appeals, or the supreme court, the decision of the workers' compensation court of appeals, or the decision of the supreme court on its review, as the case may be, shall be final and conclusive as to all parties to the proceedings as to all matters at issue determined by a decision. In all cases the decision of the workers' compensation court of appeals on appeal, or of the supreme court on review, as the case may be, shall stand in lieu of the order of the commissioner or the division or the compensation judge from whom the appeal was taken.

Sec. 52. [176.001] [INTENT OF THE LEGISLATURE.]

It is the intent of the legislature that chapter 176 be interpreted so as to assure the quick and efficient delivery of indemnity and medical benefits to injured workers at a reasonable cost to the employers who are subject to the provisions of chapter 176.

Sec. 53. Minnesota Statutes 1980, Section 176.011, Subdivision 6, is amended to read:

Subd. 6. (1) "Court of appeals" means the workers' compensation court of appeals of Minnesota.

(2) "Division" means the workers' compensation division of the department of labor and industry.

(3) "Department" means the department of labor and industry.

(4) "Commissioner", unless the context clearly indicates otherwise, means the commissioner of labor and industry.

Sec. 54. Minnesota Statutes 1980, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

(1) an alien;

(2) a minor;

(3) a sheriff, deputy sheriff, constable, marshal, policeman, firefighter, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with

or suspected of crime and any person requested or commanded to aid an officer in arresting any person, or in retaking any person who has escaped from lawful custody, or in executing any legal process in which case, for purposes of calculating compensation payable under this chapter, the daily wage of the person requested or commanded to assist an officer or to execute a legal process shall be the prevailing wage for similar services where the services are performed by paid employees;

(4) a county assessor;

(5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), nor shall it include an executive officer of a closely held corporation who is referred to in section 176.012;

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of these institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services where the services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of the injury or death for similar services where the services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(13) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota school for the deaf or the Minnesota braille and sight-saving school, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(14) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law, is an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(15) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of public welfare for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose.

In the event it is difficult to determine the daily wage as ~~herein~~ provided in this subdivision, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 55. Minnesota Statutes 1980, Section 176.021, Subdivision 1, is amended to read:

Subdivision 1. [LIABILITY FOR COMPENSATION.] Except as excluded by this chapter all employers and employees are subject to the provisions of this chapter.

Every ~~such~~ employer is liable for compensation according to the provisions of this chapter and is liable to pay compensation in every case of personal injury or death of his employee arising out of and in the course of employment without regard to the question of negligence, ~~unless~~. *The burden of proof of these facts is upon the employee.*

If the injury was intentionally self-inflicted or ~~when~~ the intoxication of the employee is the proximate cause of the injury, then the employer is not liable for compensation. The burden of proof of ~~such~~ these facts is upon the employer.

Sec. 56. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 1a. [BURDEN OF PROOF.] All disputed issues of fact arising under chapter 176 shall be determined by a preponderance of the evidence. Preponderance of the evidence means evidence produced in substantiation of a fact which, when weighed against the evidence opposing the fact, has more convincing force and greater probability of truth.

Questions of law arising under chapter 176 shall be determined in accordance with the rules of construction generally applied to all other civil matters.

Sec. 57. Minnesota Statutes 1980, Section 176.021, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of the compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except those of for medical, burial, and other non-periodic benefits, payments shall be made as nearly as may be possible at the intervals when the wage was payable; provided, however, that payments for permanent partial disability in cases in which return to work occurs prior to four weeks from the date of injury shall be made by lump sum payment, shall be governed by subdivision 3a and the provisions of section 176.165 shall not apply, without the necessity of any agreement, or order of the division, upon cessation of payments for temporary total disability and upon the employee's return to work. In cases in which return to work does not occur prior to four weeks after injury, payments for permanent partial disability shall be made according to the following schedule: 25 percent of the amount due after four weeks from the date of injury, 25 percent after eight weeks, 25 percent after 12 weeks and 25 percent after 16 weeks, provided that any and all payments remaining shall be paid upon the cessation of payments for temporary total disability and upon the employee's return to work. If doubt exists at that time as to the eventual permanent partial disability, payment, pursuant to subdivision 3a, shall be then made when due for the minimum permanent partial disability ascertainable in lump sum, and further lump sum payment shall be made upon any later ascertainment of greater permanent partial disability. At the time of the any tender of the lump sum payment, the employee and employer shall be furnished with a copy of the medical report upon which the payment is based, together with a statement by the insurer as to whether the tendered payment is for minimum permanent partial disability or final and eventual disability. Compensation for permanent partial disability is payable concurrently and in addition to compensation for temporary total disability and temporary partial disability as set forth in pursuant to section 176.101, subdivisions 1 and 2, and as provided in subdivision 3a. Compensation for permanent partial disability is payable concurrently and in addition to compensation for permanent total disability as defined in pursuant to section 176.101, subdivision 5; and such, as provided in subdivision 3a. Compensation for permanent partial disability shall not be deferred withheld pending completion of payment for temporary

total and temporary partial disability but shall not be withheld pending payment of compensation for or permanent total disability, and no credit shall be taken for payment of permanent partial disability against liability for temporary total or permanent total disability. Liability on the part of an employer or his insurer for disability of a temporary total, temporary partial, and permanent total nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and shall be payable accordingly, subject to subdivision 3a. Permanent partial disability is payable for functional loss of use or impairment of function, permanent in nature, and payment therefore shall be separate, distinct, and in addition to payment for any other compensation, subject to subdivision 3a. The right to receive temporary total, temporary partial, permanent partial or permanent total disability payments shall vest in the injured employee or his dependents under this chapter or, if none, in his legal heirs at the time the disability can be ascertained and the right shall not be abrogated by the employee's death prior to the making of the payment.

Sec. 58. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 3a. [PERMANENT PARTIAL BENEFITS, PAYMENT.] Payments for permanent partial disability as provided in section 176.101, subdivision 3, shall be made in the following manner:

(a) If the employee returns to work, payment shall be made by lump sum;

(b) If temporary total payments have ceased, but the employee has not returned to work, payment shall be made at the same intervals as temporary total payments were made;

(c) If temporary total disability payments cease because the employee is receiving payments for permanent total disability or because the employee is retiring or has retired from the work force, then payment shall be made by lump sum;

(d) If the employee completes a rehabilitation plan pursuant to section 176.102, but the employer does not furnish the employee with work he can do in his permanently partially disabled condition, and the employee is unable to procure such work with another employer, then payment shall be made by lump sum.

Sec. 59. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 8. [AMOUNTS ADJUSTED.] Amounts of compensation payable by an employer or his insurer under this chapter may be rounded to the nearest dollar amount. An employer or insurer who elects to make such adjustments shall do so for all compensation payments under this chapter.

Sec. 60. Minnesota Statutes 1980, Section 176.041, is amended by adding a subdivision to read:

Subd. 6. [COMMISSIONER OF LABOR AND INDUSTRY; ADDITIONAL POWERS.] Whenever an employee is covered by subdivision 2, 3 or 4, the commissioner may enter into agreements with the appropriate agencies of other states for the purpose of resolving conflicts of jurisdiction or disputes concerning workers' compensation coverage. An agreement entered into pur-

suant to this subdivision may be appealed in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals or the district court.

Sec. 61. Minnesota Statutes 1980, Section 176.061, Subdivision 1, is amended to read:

Subdivision 1. [ELECTION OF REMEDIES.] Where an injury or death for which ~~compensation~~ *benefits are* payable occurs under circumstances which create a legal liability for damages on the part of a party other than the employer and at the time of such injury or death that party was insured or self-insured in accordance with this chapter, the employee, in case of injury, or his dependents, in case of death, may proceed either at law against that party to recover damages or against the employer for ~~compensation~~ *benefits*, but not against both.

Sec. 62. Minnesota Statutes 1980, Section 176.061, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO RECEIVE ~~COMPENSATION~~ *BENEFITS* FROM EMPLOYER; SUBROGATION.] If the employee or his dependents elect to receive ~~compensation~~ *benefits* from the employer, *or the special compensation fund, such* the employer, *or the special compensation fund*, is subrogated to the right of the employee or his dependents to recover damages against the other party. The employer, *or the attorney general on behalf of the special compensation fund*, may bring legal proceedings against such party and recover the aggregate amount of ~~compensation~~ *benefits payable by him to or on behalf of the employee or his dependents*, together with the costs, disbursements, and reasonable attorney's fees of the action.

If an action as provided in this chapter prosecuted by the employee, the employer, or ~~both jointly~~ *the attorney general on behalf of the special compensation fund*, against the third person, results in judgment against the third person, or settlement by the third person, the employer shall have no liability to reimburse or hold the third person harmless on the judgment or settlement in absence of a written agreement to do so executed prior to the injury.

Sec. 63. Minnesota Statutes 1980, Section 176.061, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION OF SUBDIVISIONS 1, 2, AND 3.] The provisions of subdivisions 1, 2, and 3 apply only where the employer liable for ~~compensation~~ *benefits* and the other party legally liable for damages are insured or self-insured and engaged, in the due course of business *in*, (a) ~~in~~ furtherance of a common enterprise, or (b) in the accomplishment of the same or related purposes in ~~operation~~ *operations* on the premises where the injury was received at the time thereof.

Sec. 64. Minnesota Statutes 1980, Section 176.061, Subdivision 5, is amended to read:

Subd. 5. [CUMULATIVE REMEDIES.] Where an injury or death for which ~~compensation~~ *benefits are* payable is caused under circumstances which created a legal liability for damages on the part of a party other than the employer, that party being then insured or self-insured in accordance with this chapter, and the provisions of subdivisions 1, 2, 3, and 4 do not apply, or the

party other than the employer is not then insured or self-insured as provided by this chapter, legal proceedings may be taken by the employee or his dependents in accordance with clause (a), or by his employer, *or by the attorney general on behalf of the special compensation fund*, in accordance with clause (b), against the other party to recover damages, notwithstanding the payment by the employer, *or the special compensation fund* or ~~his~~ their liability to pay ~~compensation~~ *benefits*.

(a) If an action against the other party is brought by the injured employee or his dependents and a judgment is obtained and paid or settlement is made with the other party, the employer *or the special compensation fund* may deduct from the ~~compensation~~ *benefits* payable ~~by him~~ the amount actually received by the employee or dependents *or paid on their behalf* in accordance with subdivision 6. If the action is not diligently prosecuted or if the court deems it advisable in order to protect the interests of the employer, *or the special compensation fund*, upon application the court may grant the employer, *or the special compensation fund*, the right to intervene in any such action for the prosecution thereof. If the injured employee or his dependents ~~agree to receive compensation~~ *or any party on their behalf receives benefits* from the employer, *or the special compensation fund*, or institute proceedings to recover the same or accept from the employer, *or the special compensation fund*, any payment on account of the ~~compensation~~ *benefits*, the employer, *or the special compensation fund*, is subrogated to the rights of the employee or his dependents. This employer, *or the attorney general on behalf of the special compensation fund*, may maintain an action or continue an action already instituted. This action may be maintained in the name of the employee or the names of the dependents, or in the name of the employer *or in the name of the attorney general on behalf of the special compensation fund* against such other party for the recovery of damages. If the action is not diligently prosecuted by the employer, *or the attorney general on behalf of the special compensation fund*, or the court deems it advisable in order to protect the interest of the employee, the court, upon application, may grant to the employee or his dependents the right to intervene in the action for the prosecution thereof. The proceeds of such action or settlement thereof shall be paid in accordance with subdivision 6.

(b) If an employer, being then insured, sustains damages due to a change in workers' compensation insurance premiums, whether by a failure to achieve a decrease or by a retroactive or prospective increase, as a result of the injury or death of his employee which was caused under circumstances which created a legal liability for damages on the part of a party other than the employer, the employer, notwithstanding other remedies provided, may maintain an action against the other party for recovery of such premiums. This cause of action may be brought either by joining in an action described in clause (a) or by a separate action. Damages recovered under this clause shall be for the benefit of the employer and the provisions of subdivision 6 shall not be applicable to such damages.

(c) The third party is not liable to any person other than the employee or his dependents, or his employer, *or the special compensation fund*, for any damages resulting from the injury or death.

A co-employee working for the same employer is not liable for a personal injury incurred by another employee unless the injury resulted from the gross

negligence of the co-employee or was intentionally inflicted by the co-employee.

Sec. 65. Minnesota Statutes 1980, Section 176.061, Subdivision 6, is amended to read:

Subd. 6. [COSTS, ATTORNEY FEES, EXPENSES.] The proceeds of all actions for damages or settlement thereof under this section, except for damages received under subdivision 5, clause (b) received by the injured employee or his dependents or by the employer, *or the special compensation fund*, as provided by subdivision 5, shall be divided as follows:

(a) After deducting the reasonable cost of collection, including but not limited to attorneys fees and burial expense in excess of the statutory liability, then

(b) One-third of the remainder shall in any event be paid to the injured employee or his dependents, without being subject to any right of subrogation.

(c) Out of the balance remaining, the employer, *or the special compensation fund*, shall be reimbursed in an amount equal to all ~~compensation benefits~~ paid under this chapter to *or on behalf of* the employee or his dependents by the employer, *or special compensation fund*, less the product of the costs deducted under clause (a) divided by the total proceeds received by the employee or his dependents from the other party multiplied by all ~~compensation benefits~~ paid by the employer, *or the special compensation fund*, to the employee or his dependents.

(d) Any balance remaining shall be paid to the employee or his dependents, and shall be a credit to employer, *and the special compensation fund*, for any ~~compensation benefits~~ which employer is obligated to pay, but has not paid, and for any ~~compensation benefits~~ that such employer shall be obligated to make in the future.

There shall be no reimbursement or credit to *the employer, or the special compensation fund*, for interest or penalties.

Sec. 66. Minnesota Statutes 1980, Section 176.061, Subdivision 7, is amended to read:

Subd. 7. [MEDICAL TREATMENT.] The liability of an employer, *or the special compensation fund*, for medical treatment under this chapter shall not be affected by the fact that his employee was injured through the fault or negligence of a third party, against whom the employee may have a cause of action which may be sued under this chapter, but the employer, *or the attorney general on behalf of the special compensation fund*, shall have a separate additional cause of action against such third party to recover any amounts paid ~~by him~~ for medical treatment under this section resulting from the negligence of such third party. This separate cause of action of the employer, *or the attorney general on behalf of the special compensation fund*, may be asserted in a separate action brought by the employer, *or the attorney general on behalf of the special compensation fund*, against such third party or in the action commenced by the employee or the employer, *or the attorney general on behalf of the special compensation fund*, under this chapter, but in the latter case the cause of action shall be separately stated, the amount awarded thereon shall be separately set out in the verdict, and the amount recovered by suit or

otherwise as reimbursement for medical expenses shall be for the benefit of the employer, or the *special compensation fund*, to the extent that the employer, or the *special compensation fund*, has paid or will be required to pay for medical treatment of the injured employee and shall not affect the amount of periodic compensation to be paid.

Sec. 67. Minnesota Statutes 1980, Section 176.081, Subdivision 1, is amended to read:

Subdivision 1. No claim for legal services or disbursements pertaining to any demand made or suit or proceeding brought under the provisions of this chapter is an enforceable lien against the compensation or is valid or binding in any other respect unless approved in writing by the *division, commissioner of the department of labor and industry, a compensation judge, a judge of the district court, or the workers' compensation court of appeals*, if the claim arises out of a proceeding for compensation under this chapter, or by the judge presiding at the trial in an action for damages, or by a judge of the district court in a settlement of a claim for damages without trial. *The division, a compensation judge, a judge of the district court or the workers' compensation court of appeals shall in matters before him them, including settlement proceedings, have authority to approve a fee of up to 25 percent of the first \$4,000 of compensation awarded to the employee and up to 20 percent of the next \$20,000 \$27,500 of compensation awarded to employee. The workers' compensation court of appeals judge shall have authority only to approve fees in settlements upon appeal before them up to 25 percent of the first \$4,000 of compensation awarded to the employee and up to 20 percent of the next \$20,000 of compensation awarded to the employee.* If the employer or his insurer or the defendant is given written notice of such claims for legal services or disbursements, the same shall be a lien against the amount paid or payable as compensation, subject to determination of the amount and approval provided by this chapter. *Provided, however, that in no case shall fees be calculated on the basis of any undisputed portion of compensation awards. Allowable fees under this chapter shall be based solely upon genuinely disputed portions of claims.*

Sec. 68. Minnesota Statutes 1980, Section 176.081, Subdivision 2, is amended to read:

Subd. 2. Any application for attorney fees in excess of the amount ~~which a compensation judge or the workers' compensation court of appeals may authorize~~ *authorized in subdivision 1* shall be made to the ~~commissioner of labor and industry workers' compensation court of appeals~~. The application shall set forth the fee requested and the basis for such request and whether or not a hearing is requested. The application, with affidavit of service upon the employee, shall be filed by the attorney requesting the fee. If a hearing is requested by an interested party, a hearing shall be set with notice of such hearing served upon known interested parties. In all cases the employee shall be served with notice of hearing.

Sec. 69. Minnesota Statutes 1980, 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 ~~commissioner of labor and industry workers' compensation court of appeals~~. 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 ~~commissioner court administrator~~ 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 ~~commissioner of labor and industry workers' compensation court of appeals~~ shall have the authority to raise the question of the issue of the attorney fees at any time upon ~~his~~ *its* own motion and shall have continuing jurisdiction over attorney fees.

Sec. 70. Minnesota Statutes 1980, Section 176.081, Subdivision 4, is amended to read:

Subd. 4. The review of a determination by the commissioner of ~~labor and industry~~ *or the workers' compensation court of appeals* shall be only by supreme court by certiorari upon the ground that it is arbitrary and unwarranted by the evidence. There shall be no review under sections 176.421 and 176.442.

Sec. 71. Minnesota Statutes 1980, Section 176.081, Subdivision 6, is amended to read:

Subd. 6. The ~~commissioner of labor and industry workers' compensation court of appeals~~ may ~~prescribe~~ *adopt* reasonable and proper rules ~~and regulations~~ to effect ~~his and the division's~~ *its* obligations under this section ~~without regard to the joint prescription required under section 175.17, subdivision 3.~~

Sec. 72. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 7a. At any time prior to one day before a matter is to be heard, a party litigating a claim made pursuant to this chapter may serve upon the adverse party a reasonable offer of settlement of the claim, with provision for costs and disbursements then accrued. If before the hearing the adverse party serves written notice that the offer is accepted, either party may then file the offer and notice of acceptance, together with the proof of service thereof, and thereupon judgment shall be entered.

If an offer by an employer or insurer is not accepted by the employee, it shall be deemed withdrawn and evidence thereof is not admissible, except in a proceeding to determine attorney's fees. Notwithstanding the provisions of subdivision 7, if the judgment finally obtained by the employee is less favorable than the offer, the employer shall not be liable for any part of the attorney's fees awarded pursuant to this section.

If an offer by an employee is not accepted by the employer or insurer, it shall be deemed withdrawn and evidence thereof is not admissible, except in a proceeding to determine attorney's fees. Notwithstanding the provisions of subdivision 7, if the judgment finally obtained by the employee is at least as favorable as the offer, the employer shall pay an additional 25 percent, over the amount provided in subdivision 7, of that portion of the attorney's fee which has been awarded pursuant to this section that is in excess of \$250.

The fact that an offer is made but not accepted does not preclude a subsequent offer.

Sec. 73. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 9. An attorney who is hired by an employee to provide legal services with respect to a claim for compensation made pursuant to this chapter shall prepare a retainer agreement in which the provisions of this section are specifically set out and provide a copy of this agreement to the employee. The retainer agreement shall provide a space for the signature of the employee. A signed agreement shall raise a conclusive presumption that the employee has read and understands the statutory fee provisions. No fee shall be awarded pursuant to this section in the absence of a signed retainer agreement.

Sec. 74. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 10. An attorney who knowingly violates any of the provisions of this chapter with respect to authorized fees for legal services in connection with any demand made or suit or proceeding brought under the provisions of this chapter is guilty of a gross misdemeanor.

Sec. 75. Minnesota Statutes 1980, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For permanent partial disability compensation shall be that named in the following schedule, subject to a maximum compensation equal to the statewide weekly wage:

(1) For the loss of a thumb, 66 2/3 percent of the daily wage at the time of injury during 65 weeks;

(2) For the loss of a first finger, commonly called index finger, 66 2/3 percent of the daily wage at the time of injury during 40 weeks;

(3) For the loss of a second finger, 66 2/3 percent of the daily wage at the time of injury during 35 weeks;

(4) For the loss of a third finger, 66 2/3 percent of the daily wage at the time of injury during 25 weeks;

(5) For the loss of a fourth finger, commonly called the little finger, 66 2/3 percent of the daily wage at the time of injury during 20 weeks;

(6) The loss of the first phalange of the thumb or of any finger, is considered equal to the loss of one-half of the thumb or finger and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the thumb or finger;

(7) The loss of one and one-half or more phalanges is considered equal to the loss of the entire finger or thumb; but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand;

(8) For the loss of a great toe, 66 2/3 percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe, 66 2/3 percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to

the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 160 weeks;

(22) For the complete permanent loss of hearing in one ear, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 85 weeks;

(23) For the complete permanent loss of hearing in both ears, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 170 weeks;

(24) For the loss of an eye and a leg, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(25) For the loss of an eye and an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(26) For the loss of an eye and a hand, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 450 weeks;

(27) For the loss of an eye and a foot, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 400 weeks;

(28) For the loss of two arms, other than at the shoulder, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(29) For the loss of two hands, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(30) For the loss of two legs, other than so close to the hips that no effective

artificial member can be used, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(31) For the loss of two feet, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(32) For the loss of one arm an the other hand, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(33) For the loss of one hand and one foot, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(34) For the loss of one leg and the other foot, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(35) For the loss of one leg and one hand, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(36) For the loss of one arm and one foot, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(37) For the loss of one arm and one leg, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(38) For loss of the voice mechanism, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(39) For head injuries, 66 2/3 percent of the daily wage at the time of injury for that proportion of 500 weeks which is represented by its percentage of the permanent partial disability to the entire body as is determined from competent testimony at a hearing before a compensation judge, ~~the commissioner~~, or *as determined by the workers' compensation court of appeals in cases on appeal*;

(40) For permanent partial disability resulting from injury to any internal organ until such time as the commissioner of labor and industry shall promulgate a schedule of internal organs and thereafter for internal organs covered by the schedule of internal organs established by the commissioner of labor and industry, 66 2/3 percent of the daily wage at time of injury for that proportion of 500 weeks, not to exceed 500 weeks, as determined by the commissioner of labor and industry, which is the proportionate amount of permanent partial disability caused to the entire body by the injury as is determined from competent testimony at a hearing before a compensation judge, ~~the commissioner~~, or the workers' compensation court of appeals;

(41) For disfigurement or scarring not resulting from the loss of a member or other injury specifically compensated, affecting the employability or advancement opportunity of the injured person in the employment in which he was injured or other employment for which the employee is then qualified or for which the employee has become qualified, 66 2/3 percent of the daily wage at the time of injury during the period the parties agree to or the compensation judge or the workers' compensation court of appeals in cases on appeal determines, not exceeding 90 weeks;

(42) For permanent partial disability resulting from injury to the back, 66 2/3 percent of the daily wage at the time of injury for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals;

(43) When an employee sustains concurrent injuries resulting in concurrent disabilities he shall receive compensation only for the injury which entitled him to the largest amount of compensation, but this does not affect liability for disfigurement affecting the employability of the injured person or liability for the concurrent loss of more than one member, for which members compensations are provided in the specific schedule and in subdivision 5;

(44) In all cases of permanent partial disability it is considered that the permanent loss of the use of a member is equivalent to and draws the same compensation as the loss of that member, but the compensation in and by this schedule provided shall be in lieu of all other compensation in these cases, except as otherwise provided by this section;

In the event a worker has been awarded or is entitled to receive compensation for loss of use of a member under any workers' compensation law, and thereafter sustains loss of the member under circumstances entitling him to compensation therefor under this subdivision, the amount of compensation awarded, or that he is entitled to receive, for the loss of use, is to be deducted from the compensation due under the schedules of this section for the loss of the member, provided, that the amount of compensation due for the loss of the member caused by the subsequent accident is in no case less than 25 percent of the compensation payable under the schedule of this section for the loss of the member;

(45) In cases of permanent partial disability due to injury to a member, resulting in less than total loss of the member, not otherwise compensated in this schedule, compensation shall be paid at the prescribed rate during that part of the time specified in the schedule for the total loss of the member which the extent of the injury to the member bears to its total loss;

(46) In cases of permanent partial disability caused by simultaneous injury to two or more members, the applicable schedules in this subdivision shall be increased by 15 percent. This clause shall not apply when the injuries are compensated under paragraphs 22 to 37 inclusive, of this subdivision. In cases of partial disability due to injury to both eyes resulting in less than total loss of vision in one or both eyes compensation shall be paid at the prescribed rate during that part of 450 weeks which the extent of the combined injury to both eyes bears to the complete loss of industrial vision;

(47) The commissioner of labor and industry with the workers' compensation court of appeals may make or revise rules for the determination of the extent of the impairment of the industrial use of one or both eyes taking into account all primary coordinate factors of vision. These rules shall be made or revised after consultation with experts on industrial vision and after public notice to and hearing of interested parties;

(48) For permanent partial disability resulting from injury to the body as a whole due to burns, 66 2/3 percent of the daily wage at the time of injury, for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or as determined by the workers' compensation court of appeals in cases on appeal, the compensation to be paid in addition to the compensation as employee would otherwise be entitled to for loss of use of a member in accordance with this section;

(49) In all cases of permanent partial disability not enumerated in this

schedule the compensation shall be 66 2/3 percent of the difference between the daily wage of the worker at the time of the injury and the daily wage he is able to earn in his partially disabled condition, subject to a maximum equal to the statewide average weekly wage, and continue during disability, not to exceed 350 weeks; and if the employer does not furnish the worker with work which he can do in his permanently partially disabled condition and he is unable to secure such work with another employer after a reasonably diligent effort, the employee shall be paid at his or her maximum rate of compensation for total disability.

Sec. 76. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 1a. [SURVIVING SPOUSE.] Upon the request of a qualified dependent surviving spouse, rehabilitation services shall be provided through the rehabilitation services section of the workers' compensation division. For the purposes of this subdivision a qualified dependent surviving spouse is a dependent surviving spouse, as determined under section 176.111, who is in need of rehabilitation assistance to become self-supporting. A spouse who is provided rehabilitation services under this subdivision is not entitled to compensation under subdivision 11.

Sec. 77. Minnesota Statutes 1980, Section 176.105, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of labor and industry ~~may~~ shall by rule establish a schedule of degrees of disability resulting from different kinds of injuries.

Sec. 78. Minnesota Statutes 1980, Section 176.111, Subdivision 6, is amended to read:

Subd. 6. [SPOUSE, NO DEPENDENT CHILD.] (a) If the deceased employee leaves a dependent surviving spouse and no dependent child, there shall be paid to the dependent surviving spouse 50 percent of the daily wage at the time of the injury of the deceased, at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at 50 percent of the daily wage at the time of the injury of the deceased, computed without regard to section 176.645; or

(2) Weekly workers' compensation benefits at 50 percent of the daily wage at the time of the injury for a period of ten years, including adjustments as provided in section 176.645.

(b) A dependent surviving spouse who has not accepted a lump sum settlement pursuant to clause (a) (1) and who remarries shall receive the lesser of either:

(1) A lump sum settlement equal to two full years of compensation at 50 percent of the daily wage at the time of the injury of the deceased, computed without regard to section 176.645; or

(2) The remaining weekly workers' compensation benefits pursuant to clause (a) (2) at 50 percent of the daily wage, including adjustments as provided in section 176.645.

Sec. 79. Minnesota Statutes 1980, Section 176.111, Subdivision 7, is

amended to read:

Subd. 7. [SPOUSE, ONE DEPENDENT CHILD.] (a) If the deceased employee ~~leave~~ leaves a surviving spouse and one dependent child, there shall be paid to the surviving spouse for the benefit of ~~such~~ the spouse and child 60 percent of the daily wage at the time of the injury of the deceased until the child is no longer a dependent as defined in subdivision 1. At that time there shall be paid to the dependent surviving spouse, at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at a rate which is 16 2/3 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent, computed without regard to section 176.645; or

(2) Weekly benefits at a rate which is 16 2/3 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent, for a period of ten years, including adjustments as provided in section 176.645.

(b) A surviving spouse who remarries shall receive:

(1) Compensation, for the benefit of the dependent child, according to the allocation provided in subdivision 10, until the child is no longer a dependent as defined in subdivision 1; and

(2) A lump sum settlement, for the benefit of the surviving spouse, equal to two full years of weekly benefits in an amount which equals the difference between the benefit otherwise payable under clause (a) and the amount payable to the dependent child pursuant to clause (b) (1).

Sec. 80. Minnesota Statutes 1980, Section 176.111, Subdivision 8, is amended to read:

Subd. 8. [SPOUSE, TWO DEPENDENT CHILDREN.] (a) If the deceased employee ~~leave~~ leaves a surviving spouse and two dependent children, there shall be paid to the surviving spouse for the benefit of ~~such~~ the spouse and ~~such~~ children 66 2/3 percent of the daily wage at the time of the injury of the deceased until the youngest dependent child is no longer dependent. At that time the dependent surviving spouse shall be paid, at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at a rate which is 25 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the last surviving child was a dependent, computed without regard to section 176.645; or

(2) Weekly benefits at a rate which is 25 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent, for a period of ten years, adjusted according to section 176.645.

(b) A surviving spouse who remarries shall receive compensation, for the benefit of the children, allocated according to subdivision 10, until the youngest dependent child is no longer dependent as defined in subdivision 1 and, for the benefit of the surviving spouse, a lump sum settlement equal to two full years of weekly benefits in an amount which equals the difference between the benefit otherwise payable pursuant to clause (a) and the amount payable to the

dependent children allocated according to subdivision 10, computed without regard to section 176.645.

Sec. 81. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 8a. [LAST WEEKLY BENEFIT PAYMENT.] For the purposes of subdivisions 7 and 8, "last weekly workers' compensation benefit payment" means the workers' compensation benefit which would have been payable without the application of subdivision 21.

Sec. 82. Minnesota Statutes 1980, Section 176.111, Subdivision 10, is amended to read:

Subd. 10. [ALLOCATION OF COMPENSATION.] In all cases where compensation is payable to the surviving spouse for the benefit of the surviving spouse and dependent children, the commissioner of the department of labor and industry, compensation judge, or workers' compensation court of appeals or district court in cases upon appeal may shall determine what portion of the compensation shall be applied applies for the benefit of any such child dependent children and may order the same that portion paid to a guardian. This subdivision shall not be construed to increase the combined total of weekly government survivor benefits and workers' compensation beyond the limitation established in section 176.111, subdivision 21.

Sec. 83. Minnesota Statutes 1980, Section 176.111, Subdivision 21, is amended to read:

Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS.] The following provision shall apply to any dependent entitled to receive weekly compensation benefits under this section as the result of the death of an employee, and who is also receiving or entitled to receive benefits under any government survivor program:

The combined total of weekly government survivor benefits and workers' compensation death benefits provided under this section shall not exceed 100 percent of the weekly wage being earned by the deceased employee at the time of the injury causing his death; provided, however, that no state workers' compensation death benefit shall be paid for any week in which the survivor benefits paid under the federal program, by themselves, exceed 100 percent of such weekly wage provided, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of the children is not the responsibility of the dependent surviving spouse.

For the purposes of this subdivision "dependent" means dependent surviving spouse together with all dependent children and any other dependents. For the purposes of this subdivision, mother's insurance benefits received pursuant to 42 U.S.C., 402 (g), are benefits under a government survivor program.

Sec. 84. Minnesota Statutes 1980, Section 176.131, Subdivision 10, is amended to read:

Subd. 10. The special compensation fund is created for the purposes provided in this chapter in the following manner:

(1) In every case of death of an employee resulting from personal injury

arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the commissioner of labor and industry the sum of \$5,000 for the benefit of the special compensation fund; in every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to at least \$5,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner of labor and industry for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and \$5,000; but in no event shall the employer pay the commissioner of labor and industry less than \$1,000;

(2) When an employee suffers a personal injury which results in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability or death and which entitles him or his dependents to compensation under sections 176.101 or 176.111, the employer shall, in addition to compensation provided therein, pay to the commissioner of labor and industry for the benefit of the special compensation fund a lump sum without interest deduction equal to seven a percent of the total compensation determined as provided in this subdivision as soon as the amount payable for the particular injury is determined, or arrived at by agreement of the parties, and the amount is approved by the commissioner of labor and industry.

The provisions of clauses (1) and (2) shall apply to all workers' compensation payments, exclusive of medical costs, paid under sections 176.101 and 176.111 for all injuries or death occurring on or after June 1, 1971.

Personal injuries that occurred prior to June 1, 1971 shall be assessed at the rate in effect on the date of occurrence.

The seven percent of the total compensation required to be paid by the employer to the commissioner of labor and industry for the benefit of the special compensation fund as provided in clause (2) of this subdivision shall remain fixed at said seven percent for the period from June 1, 1971, to June 1, 1972. Effective June 1, 1972, through June 1, 1975, and thereafter on January 1, beginning in 1976, the rate shall be adjusted on the following basis: if the balance in the special compensation fund as of April 30 in any year through 1975 and as of September 30, 1975, and each September 30 thereafter, is below \$1,000,000, the rate of payment shall be increased by two percent over the then prevailing rate. If the balance is at least \$1,000,000 but below \$1,500,000, the rate will be increased by one percent. If the balance is at least \$1,500,000 but below \$2,000,000, there shall be no change. If the balance is at least \$2,000,000 but less than \$2,500,000, the rate shall be decreased by one percent. If the balance is at least \$2,500,000, the rate shall be decreased by two percent. If the balance is \$3,000,000 or more the commissioner of labor and industry shall within 30 days determine the percent of decrease, which shall be not less than two percent nor more than five percent.

In determining the percentage of the total compensation required to be paid by the employer to the commissioner for the benefit of the special compensation fund as provided in clause (2) beginning September 30, 1981 and each September 30 thereafter, the commissioner shall use the following schedule:

Balance in the Fund

*Permissible Range of
Rate Adjustment*

Less than \$2,000,000	+1 percent to +7 percent
At least \$2,000,000 but less than \$3,000,000	0 percent to +6 percent
At least \$3,000,000 but less than \$4,000,000	-2 percent to +4 percent
At least \$4,000,000 but less than \$5,000,000	-5 percent to +3 percent
At least \$5,000,000 but less than \$6,000,000	-6 percent to +2 percent
\$6,000,000 or more	-7 percent to +2 percent

In determining the actual adjustment, the commissioner shall take into account his estimate of the likely amount of expenditures to be made from the fund in the next calendar year.

Sums paid to the commissioner of labor and industry pursuant to the provisions hereof, shall be deposited with the state treasurer for the benefit of the special compensation fund and be used to pay the benefits provided by this chapter. All money heretofore arising from the provisions of this section or similar law shall be transferred to this special compensation fund. Any interest or profit accruing from investment of these sums shall be credited to the special compensation fund.

The state treasurer shall be the custodian of this special fund and the workers' compensation division ~~and, compensation judges~~, the workers' compensation court of appeals ~~or district court~~ in cases before ~~it~~ them shall direct the distribution thereof, the same to be paid as other payments of compensation are paid. In case deposit is or has been made under the provisions of clause (1) and dependency later is shown, or if deposit is or has been made pursuant to either clause (1) or (2) by mistake or inadvertence, or under circumstances that justice requires a refund thereof, the state treasurer is authorized to refund the deposit under order of the workers' compensation division ~~or, a compensation judge~~, the workers' compensation court of appeals ~~or a district court~~. There is appropriated to the persons entitled to the refunds from the fund an amount sufficient to make the refund and payment.

Costs within the department of labor and industry for the accounting, investigation and legal procedures necessary for the administration of the programs financed by the special compensation fund shall ~~be paid from the moneys biennially appropriated to the department and not from the special compensation fund~~ come from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the fund shall be approved through the regular budget and appropriations process.

Sec. 85. Minnesota Statutes 1980, 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 65 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 65 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. *Attorney's fees shall be allowed in settlements of claims for supplementary benefits in accordance with this chapter.*

(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 65 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. If the individual does not receive the maximum benefits for which he is eligible under other governmental disability programs due to the provisions of 42 U.S.C. 424a (d), this reduction shall not apply.

Sec. 86. Minnesota Statutes 1980, Section 176.133, is amended to read:

176.133 [ATTORNEYS FEES, SUPPLEMENTARY BENEFITS.]

~~No Attorneys~~ *Attorney's fees shall* ~~may be permitted or approved by a compensation judge or by the workers' compensation court of appeals from the supplementary workers' compensation benefits provided by section 176.132, or amendments thereto, unless if the case solely involves the obtaining of supplementary workers' compensation benefits. When such fees are allowed an amount equal to 25 percent of that portion of the fee which is in excess of \$250 shall be added to the employee's benefit as provided in section 176.081 rather than deducted as a portion thereof. The fees shall be subject determined according to the limitations contained in section 176.081.~~

Sec. 87. Minnesota Statutes 1980, Section 176.136, is amended to read:

176.136 [MEDICAL FEE REVIEW.]

The commissioner of ~~labor and industry~~ *insurance* shall by rule establish procedures for determining whether *or not* the charge for a health service is excessive. In order to accomplish this purpose, the commissioner *of insurance* shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups. *The procedures established by the commissioner of insurance shall limit the charges allowable for medical, chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and*

compensable under section 176.135, to the 75th percentile of usual and customary fees or charges based upon billings for each class of health care provider during all of the calendar year preceding the year in which the determination is made of the amount to be paid the health care provider for the billing. The procedures established by the commissioner for determining whether or not the charge for a health service is excessive shall be structured to encourage providers to develop and deliver services for rehabilitation of injured workers. The procedures shall incorporate the provisions of sections 144.701, 144.702, and 144.703 to the extent that the commissioner finds that these provisions effectively accomplish the intent of this section or are otherwise necessary to insure that quality hospital care is available to injured employees. If the commissioner of insurance, a compensation judge, the workers' compensation court of appeals or a district court determines that the charge for a health service or medical service is excessive, he may limit no payment to in excess of the reasonable charge for that service shall be made under this chapter nor may the provider collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable under this chapter; however, the commissioner of insurance shall by rule establish procedures allowing for a provider to appeal such determination. The commissioner may of insurance 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 for the purposes listed in section 145.61, subdivision 5, and report to the legislature by January 15, 1983 and thereafter on January 15 of every odd-numbered year, regarding the delivery of medical and health care services, including rehabilitation services, under the workers' compensation laws of this state.

The commissioner of insurance shall also conduct a study of the qualifications and background of rehabilitation consultants and vendors providing services under section 176.102 for the purpose of determining whether there are adequate professional standards provided, including safeguards to protect against conflicts of interest.

The commissioner of insurance shall adopt temporary rules in order to implement the provisions of this subdivision. Notwithstanding the provisions of section 15.0412, subdivision 4, and any amendments, the temporary rules adopted by the commissioner of insurance pursuant to this subdivision may be extended for an additional 180 days if the procedures for adoption of a rule pursuant to section 15.0412, subdivisions 4 to 4g, or 4h, and other provisions of the administrative procedure act related to final agency action and rule adoption have not been concluded.

Sec. 88. [176.1361] [TESTIMONY OF PROVIDERS.]

When a compensation judge or the workers' compensation court of appeals has reason to believe that a medical or other provider of treatment services has submitted false testimony or a false report in any proceeding under this chapter, the compensation judge or the workers' compensation court of appeals shall refer the matter to an appropriate licensing body or other professional certifying organization for review and recommendations. Based upon their recommendation, the commissioner may bar the provider from making an appearance, and disallow the admission into evidence of written reports of the provider, in any proceeding under this chapter for a period not to exceed one year in the first instance and three years in the second instance, and may

permanently bar the provider from appearance and his reports from admission in evidence thereafter.

Sec. 89. [176.152] [PERMANENT PARTIAL DISABILITY PANEL.]

Subdivision 1. [BINDING OPINION; PERMANENT PARTIAL DISABILITY DISPUTES.] Prior to a hearing before a compensation judge at which a significant issue of permanent partial disability is to be determined a permanent partial disability panel shall be constituted to render a determination on the dispute subject to the limitation in subdivisions 7 and 8.

Subd. 2. [PANEL LIST.] The administrator of the workers' compensation court of appeals shall compile and maintain a list of names of physicians, podiatrists, chiropractors and other health care providers qualified to determine the extent of permanent partial disability. Names may be added to the list and removed at any time by the administrator of the workers' compensation court of appeals. In maintaining the list the administrator of the workers' compensation court of appeals shall to the maximum extent possible select persons from varying geographical areas of the state.

Subd. 3. [PANEL SELECTION.] When a panel is required to be constituted by subdivision 1 the administrator of the workers' compensation court of appeals shall furnish the employer and employee parties to the dispute a list of seven appropriate health care providers from which the parties shall alternatively strike names until only three remain who shall constitute the panel. If both parties agree, the dispute may be decided by a single health care provider. If the parties are unable to agree on who shall strike the first name, priority shall be decided by a flip of the coin.

Subd. 4. [REPORT; CONCLUSION.] The compensation judge, or the chief hearing examiner in cases in which a compensation judge has not yet been assigned, shall propound specific written questions to the panel at the time they are notified of their selection. The questions shall be framed in such a manner that answers to them shall resolve the dispute as to the extent of permanent partial disability. The panel's report shall be binding upon any compensation judge before whom a hearing may be held subsequent to the panel's report, but may be reviewed by the workers' compensation court of appeals or supreme court, only if the report is found to be arbitrary, capricious or based on fraud, in which case the workers' compensation court of appeals or supreme court shall remand the matter to a compensation judge for the seating of a new panel.

Subd. 5. [EXAM; REPORT.] At least one member of the panel shall personally examine the employee within 30 days of the panel's selection. After reviewing the examination report and all other available pertinent information the panel shall report its conclusions to the compensation judge within 45 days after their selection. The compensation judge may extend the time limit for good cause. The report of the panel shall include the examination report and a record of any other evidence or information considered by the panel.

Subd. 6. [COSTS; PAYMENT.] Any physician, podiatrist, chiropractor or other health care provider who agrees to serve on a panel constituted pursuant to this section shall be deemed to agree that any dispute concerning his fees for serving on the panel shall be decided by the compensation judge hearing the case. The judge's decision shall be binding on the health care provider. A

consent form to this effect shall be provided for the signature of the health care provider. No fee shall be approved which is excessive under the standards issued pursuant to section 87 for similar services. The employer shall pay all the panel members' fees, unless the employee has proceeded in bad faith, in which case the employee may be ordered to pay the fees.

Subd. 7. [PILOT PROJECT; REPORT TO LEGISLATURE AND GOVERNOR.] The administrator of the workers' compensation court of appeals shall establish the permanent partial disability panel provided for in this section on a pilot basis in three counties of his choice, including at least one rural county. The administrator of the workers' compensation court of appeals shall report to the legislature and governor by January 1, 1983, on the number of cases reviewed, the number of health care providers participating, the number of cases settled prior to any hearing before a compensation judge, the cost of the program and his recommendations concerning the panel.

Subd. 8. [LIMITATION.] This section shall operate in lieu of section 176.155, subdivision 2, in the counties in which the medical panel is established pursuant to subdivision 7.

Sec. 90. Minnesota Statutes 1980, Section 176.161, Subdivision 1, is amended to read:

Subdivision 1. [RESIDING OUTSIDE UNITED STATES.] In case a deceased employee for whose injury or death compensation is payable leaves surviving him an alien dependent residing outside the United States the commissioner of the department of labor and industry shall direct the payment of all compensation due the dependent to be made to the duly accredited consular officer of the country of which the beneficiary is a citizen residing within the state, or to his designated representative residing within the state; or, if the commissioner of the department of labor and industry believes that the interests of the dependent will be better served and at any time prior to the final settlement the dependent files with the commissioner of the department of labor and industry a power of attorney designating any other suitable person residing in this state to act as attorney in fact in such proceedings, the commissioner of the department of labor and industry may appoint such person. If it appears necessary to institute proceedings to enforce payment of compensation due the dependent, the commissioner of the department of labor and industry may permit the consular officer to institute these proceedings. If during the pendency of these proceedings, such power of attorney is filed by the alien dependent, the commissioner of the department of labor and industry shall then determine whether such attorney in fact be substituted to represent such dependent or if the consular officer or his representative continue therein. The person so appointed may carry on proceedings to settle all claims for compensation and receive for distribution to such dependent all compensation arising under this chapter. The settlement and distribution of the funds shall be made only on the written order of the commissioner of the department of labor and industry. The person so appointed shall furnish a bond satisfactory to the workers' compensation court of appeals commissioner, conditioned upon the proper application of the money received by him. Before the bond is discharged, the person so appointed shall file with the commissioner of the department of labor and industry a verified account of his receipts and disbursements of such compensation.

Sec. 91. Minnesota Statutes 1980, Section 176.181, Subdivision 2, is

amended to read:

Subd. 2. [COMPULSORY INSURANCE; SELF-INSURERS.] (1) Every employer, except the state and its municipal subdivisions, liable under this chapter to pay compensation shall insure payment of compensation with some insurance carrier authorized to insure workers' compensation liability in this state, or obtain a written order from the commissioner of insurance exempting the employer from insuring his liability for compensation and permitting him to self-insure the liability. The terms, conditions and requirements governing self-insurance shall be established by the commissioner pursuant to chapter 15. The commissioner of insurance shall also adopt, pursuant to clause (2)(c), rules permitting two or more employers, *whether or not they are* in the same industry, to enter into agreements to pool their liabilities under this chapter for the purpose of qualifying as group self-insurers. With the approval of the commissioner of insurance, any employer may exclude medical, chiropractic and hospital benefits as required by this chapter. An employer conducting distinct operations at different locations may either insure or self-insure the other portion of his operations which may be determined by the commissioner of insurance to be a distinct and separate risk. An employer desiring to be exempted from insuring his liability for compensation shall make application to the commissioner of insurance, showing his financial ability to pay the compensation, whereupon by written order the commissioner of insurance may make an exemption as he deems proper. The commissioner of insurance may require further statements of financial ability of the employer to pay compensation. Upon ten days written notice the commissioner of insurance may revoke his order granting an exemption, in which event the employer shall immediately insure his liability. As a condition for the granting of an exemption the commissioner of insurance may require the employer to furnish security the commissioner of insurance considers sufficient to insure payment of all claims under this chapter. If the required security is in the form of currency or negotiable bonds, the commissioner of insurance shall deposit it with the state treasurer. In the event of any default upon the part of a self-insurer to abide by any final order or decision of the commissioner of labor and industry directing and awarding payment of compensation and benefits to any employee or the dependents of any deceased employee, then upon at least ten days notice to the self-insurer, the commissioner of insurance may by written order to the state treasurer require him to sell the pledged and assigned securities or a part thereof necessary to pay the full amount of any such claim or award with interest thereon. This authority to sell may be exercised from time to time to satisfy any order or award of the commissioner of labor and industry or any judgment obtained thereon. When securities are sold the money obtained shall be deposited in the state treasury to the credit of the commissioner of insurance and awards made against any such self-insurer by the commissioner of insurance shall be paid to the persons entitled thereto by the state treasurer upon warrants prepared by the commissioner of insurance and approved by the commissioner of finance out of the proceeds of the sale of securities. Where the security is in the form of a surety bond or personal guaranty the commissioner of insurance, at any time, upon at least ten days notice and opportunity to be heard, may require the surety to pay the amount of the award, the payments to be enforced in like manner as the award may be enforced.

(2)(a) No association, corporation, partnership, sole proprietorship, trust or other business entity shall provide services in the design, establishment or

administration of a group self-insurance plan under rules adopted pursuant to this subdivision unless it is licensed to do so by the commissioner of insurance. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be granted only when the commissioner of insurance is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner of insurance may issue a license subject to restrictions or limitations, including restrictions or limitations on the type of services which may be supplied or the activities which may be engaged in. The license is for a two year period.

(b) To assure that group self-insurance plans are financially solvent, administered in a fair and capable fashion, and able to process claims and pay benefits in a prompt, fair and equitable manner, entities licensed to engage in such business are subject to supervision and examination by the commissioner of insurance.

(c) To carry out the purposes of this subdivision, the commissioner of insurance may promulgate administrative rules, including emergency rules, pursuant to sections 15.0411 to 15.052. These rules may:

(i) establish reporting requirements for administrators of group self-insurance plans;

(ii) establish standards and guidelines to assure the adequacy of the financing and administration of group self-insurance plans;

(iii) establish bonding requirements or other provisions assuring the financial integrity of entities administering group self-insurance plans;

(iv) establish standards, including but not limited to minimum terms of membership in self-insurance plans, as necessary to provide stability for those plans;

(v) establish standards or guidelines governing the formation, operation, administration and dissolution of self-insurance plans; and

(vi) establish other reasonable requirements to further the purposes of this subdivision.

Sec. 92. Minnesota Statutes 1980, Section 176.181, Subdivision 3, is amended to read:

Subd. 3. [FAILURE TO INSURE, PENALTY.] Any employer who fails to comply with the provisions of subdivision 2 to secure payment of compensation is liable to the state of Minnesota for a penalty of ~~\$50~~ \$100, if the number of uninsured employees in his employment is less than five and for a penalty of ~~\$200~~ \$400 if the number of such uninsured employees in his employment is five or more. *If the commissioner determines that the failure to comply with the provisions of subdivision 2 was willful and deliberate, the employer shall be liable to the state of Minnesota for a penalty of \$500, if the number of uninsured employees in his employment is less than five, and for a penalty of \$2,000 if the number of his uninsured employees is five or more.* If the employer continues his noncompliance, he is liable for five times the lawful premium for compensation insurance for such employer for the period he fails to comply with such provisions, commencing ten days after notice has been served upon

him by the commissioner of the department of labor and industry by certified mail. These penalties may be recovered jointly or separately in a civil action brought in the name of the state by the attorney general in any court having jurisdiction. Whenever any such failure occurs the commissioner of the department of labor and industry shall immediately certify the fact thereof to the attorney general. Upon receipt of such certification the attorney general shall forthwith commence and prosecute such action. All penalties recovered by the state in any such action shall be paid into the state treasury and credited to the special compensation fund. If an employer fails to comply with the provisions of subdivision 2, to secure payment of compensation after having been notified of his duty, the attorney general, upon request of the commissioner of the department of labor and industry, may proceed against the employer in any court having jurisdiction for an order restraining him from having any person in his employment at any time when he is not complying with the provisions of subdivision 2.

Sec. 93. Minnesota Statutes 1980, Section 176.181, is amended by adding a subdivision to read:

Subd. 6. No employer shall be required to provide financial statements certified by an "independent certified public accountant" or "certified public accountant" as a condition of approval for group self-insurance.

Sec. 94. [176.182] [BUSINESS LICENSES OR PERMITS; COVERAGE REQUIRED.]

Every state or local licensing agency shall withhold the issuance of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Neither the state nor any governmental subdivision thereof shall enter into any contract before receiving from all other contracting parties acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Sec. 95. Minnesota Statutes 1980, Section 176.191, is amended to read:

176.191 [DISPUTE BETWEEN TWO OR MORE EMPLOYERS OR INSURERS REGARDING LIABILITY.]

Subdivision 1. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner of labor and industry, compensation judge, or workers' compensation court of appeals upon appeal may shall direct, unless action is taken under subdivision 2, that one or more of the employers or insurers make payment of the benefits pending a determination of liability.

When liability has been determined, the party held liable for the benefits shall be ordered to reimburse any other party for payments which the latter has made, including interest at the rate of five 12 percent a year. The claimant may shall also be awarded a reasonable attorney fee, to be paid by the party held liable for the benefits.

An order directing payment of benefits pending a determination of liability may not be used as evidence before a compensation judge, the workers' com-

pensation court of appeals, or court in which the dispute is pending.

Subd. 2. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner of labor and industry may shall authorize, *unless action is taken under subdivision 1*, the special compensation fund established in section 176.131 to make payment of the benefits pending a determination of liability.

The personal injury for which the commissioner may shall order compensation from the special fund is not limited by section 176.131, subdivision 8.

When liability has been determined, the party held liable for benefits shall be ordered to reimburse the special compensation fund for payments made, including interest at the rate of 12 percent a year.

Subd. 3. If a dispute exists as to whether an employee's injury is compensable under this chapter and the employee is otherwise covered by an insurer pursuant to chapters 62A, 62C and 62D, that insurer shall pay any medical costs incurred by the employee for the injury and shall make any disability payments otherwise payable by that insurer in the absence of or in addition to workers' compensation liability. If the injury is subsequently determined to be compensable pursuant to this chapter, the workers' compensation insurer shall be ordered to reimburse the insurer that made the payments for all medical payments made under this subdivision by the insurer for the injury, including interest at a rate of 12 percent a year.

Subd. 4. If the employee's medical expenses for a personal injury are paid pursuant to any program administered by the commissioner of public welfare, or he receives subsistence or other payments pursuant to such a program, and it is subsequently determined that the injury is compensable pursuant to this chapter, the workers' compensation insurer shall reimburse the commissioner of public welfare for the medical expenses paid and attributable to the personal injury payments made, including interest at a rate of 12 percent a year.

Amounts paid to an injured employee pursuant to such a program and attributable to the personal injury shall be deducted from any settlement or award of compensation or benefits under this chapter. The insurer shall attempt, with due diligence, to ascertain whether payments have been made to an injured employee pursuant to such a program prior to any settlement or issuance of a binding award and shall notify the commissioner when such payments have been made.

Sec. 96. Minnesota Statutes 1980, Section 176.221, is amended to read:

176.221 [PAYMENT OF COMPENSATION AND TREATMENT CHARGES, COMMENCEMENT.]

Subdivision 1. ~~[DENIAL OF LIABILITY, REQUEST FOR EXTENSION OF TIME COMMENCEMENT OF PAYMENT.]~~ Within 30 days from the date of notice to or knowledge by the employer of an injury compensable under the chapter, and unless within that 30 day period the employer or the insurer files with the commissioner of the department of labor and industry a denial of liability or a request for an extension of time within which to determine liability, the person responsible for payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, sub-

~~division 9 shall begin payment of compensation or charges for treatment. Within 14 days of notice to or knowledge by the employer of an injury compensable under this chapter the payment of compensation due pursuant to section 176.101, subdivision 1, shall commence. Commencement of payment by an employer or insurer does not waive any rights to any defense the employer may have on any claim or incident either with respect to the compensability of the claim under chapter 176 or the amount of the compensation due. Where there are multiple employers, the first employer shall pay, unless it is shown that the injury has arisen out of employment with the second or subsequent employer. When the employer determines that the disability is not a result of a personal injury, payment of compensation may be discontinued upon notice of discontinuance pursuant to section 176.241. Upon the determination, payments made may be recovered by the employer if the commissioner finds that the employee's claim of work related disability was not made in good faith.~~

Subd. 2. [GRANT OF EXTENSION.] Upon application made within ~~the 30 day period referred to in subdivision 1~~ *days after the date on which the first payment was due*, the commissioner of ~~the department of labor and industry~~ may grant an extension of time within which to determine liability. The extension shall not exceed 30 days.

Subd. 3. [PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer fails to begin payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9, or to file a denial of liability, or to request an extension of time within ~~the 30 day period referred to in subdivision 1~~ *days after the date on which the first payment was due*, he shall pay to the special compensation fund an amount equal to the total amount of compensation to which the employee is entitled because of the injury. In addition, each day subsequent to the end of the ~~30 day~~ period and until a compensation payment is made to the injured employee, the person responsible for payment of compensation shall pay to the special compensation fund an amount equal to the total compensation to which *the injured employee is entitled.*

Subd. 4. [FAILURE TO MAKE PAYMENTS AFTER EXTENSION.] Where an employer or insurer has been granted an extension of time within which to determine liability and fails to begin payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 or to file a denial of liability within such extended period, he shall make the payments provided in subdivision 3.

Subd. 5. [DOUBLE PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer has failed to make the payments required by subdivision 3 or subdivision 4 within ~~60 30~~ days from the end of the ~~30 day~~ period or the extended period, the division may require him to pay to the special compensation fund, each day subsequent to the end of the period and until a compensation payment is made to the injured employee, a sum equal to double the total amount of compensation to which the employee is entitled because of the injury. In addition, the person responsible for compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 shall pay to the special compensation fund an amount equal to the total amount of compensation to which the employee is entitled.

Subd. 6. [ASSESSMENT OF PENALTIES.] The division shall assess the penalty payments provided for by subdivisions 3 to 5, and any increase in benefit payments provided by section 176.225, subdivision 5, against either the employer or the insurer depending upon to whom the delay is attributable in making payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9. The insurer is not liable for a penalty payment assessed against the employer.

Subd. 7. [INTEREST.] Any payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 not made when due shall bear interest at the rate of eight percent per annum from the due date to the date the payment is made.

Subd. 8. [METHOD AND TIMELINESS OF PAYMENT.] *Payment of compensation under this chapter shall be by immediately payable negotiable instrument, or if by any other method, arrangements shall be available to provide for the immediate negotiability of the payment instrument.*

All payment of compensation shall be made within 14 days of an appropriate order by the division, unless the order is to be appealed, or where a different time period is provided by this chapter.

Sec. 97. Minnesota Statutes 1980, Section 176.225, is amended by adding a subdivision to read:

Subd. 5. [PENALTY.] *Where the employer is guilty of inexcusable delay in making payments, the payments which are found to be delayed shall be increased by 10 percent. Withholding amounts unquestionably due because the injured employee refuses to execute a release of his right to claim further benefits will be regarded as inexcusable delay in the making of compensation payments. If any sum ordered by the department to be paid is not paid when due, and no appeal of the order is made, the sum shall bear interest at the rate of 12 percent per annum. Any penalties paid pursuant to this section shall not be considered as a loss or expense item for purposes of a petition for a rate increase made pursuant to chapter 79.*

Sec. 98. Minnesota Statutes 1980, Section 176.231, Subdivision 2, is amended to read:

Subd. 2. [INITIAL REPORT, WRITTEN REPORT.] Where subdivision 1 requires an injury to be reported within 48 hours, the employer may make his initial report by telephone, telegraph, or personal notice, and file a written report of the injury within seven days from its occurrence or within such time as the commissioner of labor and industry designates. All written reports of injuries required by subdivision 1 shall include the date of injury, amounts of payments made, if any, and the date of the first payment. The reports shall be in quadruplicate on a form designed by the commissioner, with two copies to the commissioner and one to the insurer.

If an insurer or self insurer repeatedly fails to pay benefits within three days of the due date, pursuant to section 176.221, the insurer or self insurer shall be ordered by the commissioner to explain, in person, the failure to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the commissioner shall refer the insurer or self insurer to the commissioner of insurance for action pursuant to section 176.225, subdivision 4.

Sec. 99. Minnesota Statutes 1980, Section 176.231, Subdivision 7, is

amended to read:

Subd. 7. [MEDICAL REPORTS.] If requested by the division ~~or by~~, a *compensation judge*, the workers' compensation court of appeals, or any member or employee thereof an employer, insurer, or employee shall file with the commissioner ~~of the department of labor and industry~~ the original or a verified copy of any medical report in his possession which bears upon the case *and shall also file a verified copy of the same report with the agency or individual who made the request.*

Sec. 100. Minnesota Statutes 1980, Section 176.241, Subdivision 1, is amended to read:

Subdivision 1. [NECESSITY FOR NOTICE AND SHOWING; CONTENTS.] Where an employee claims that the right to compensation continues, ~~or refuses to sign or objects to signing a final receipt for compensation,~~ the employer may not discontinue payment of compensation until he provides the ~~division~~ *employee* with notice in writing of his intention to do so, together with a statement of facts clearly indicating the reasons for the discontinuance. *A copy of the notice shall be provided to the division by the employer.*

The notice to the *employee and the copy to the division* shall state the date of intended discontinuance; ~~and the reason for the action; and the fact that the employee objects to the discontinuance.~~ The *notice to the employee and the copy to the division* shall be accompanied by a statement of facts in support of the discontinuance of compensation payments and whatever medical reports are in the possession of the employer bearing on the physical condition of the employee at the time of the proposed discontinuance.

Sec. 101. Minnesota Statutes 1980, Section 176.241, Subdivision 2, is amended to read:

Subd. 2. [CONTINUANCE OF EMPLOYER'S LIABILITY; SUSPENSION.] Except where the commissioner ~~of the department of labor and industry~~ orders otherwise, until the *copy of the notice and reports* have been filed with the division, the liability of the employer to make payments of compensation continues.

When the division has received a *copy of the notice of discontinuance*, the statement of facts and available medical reports, the duty of the employer to pay compensation is suspended pending an investigation, hearing, and determination of the matter by the division as provided in the following subdivisions.

Sec. 102. Minnesota Statutes 1980, Section 176.241, Subdivision 3, is amended to read:

Subd. 3. [COPY OF NOTICE TO EMPLOYEE, INVESTIGATION, HEARING.] ~~When the division has received a notice of discontinuance, it shall immediately send the employee a copy of the notice and supporting documents which have been submitted in conjunction with the notice.~~ *When the employer has reason to believe compensation may be terminated within the requirements of this chapter, notice shall be given to the employee informing the employee of his right to object to the discontinuance and providing instructions as to how to contact the employer or insurer regarding the discontinuance and the procedures related to initiation of a claim.* The commissioner ~~of labor and in-~~

~~dustry~~ shall make an investigation to determine whether the right to compensation has terminated. If it appears from the investigation that the right to compensation may not have terminated, the commissioner of labor and industry shall ~~schedule~~ refer the matter to the chief hearing examiner in order that a hearing before a compensation judge may be scheduled, to determine the right of the employee, or his dependent, to further compensation.

The hearing shall be held within a reasonable time after the division has received the notice of discontinuance. The commissioner of labor and industry compensation judge shall give eight days notice of the hearing to interested parties.

Sec. 103. [176.262] [APPOINTMENT OF COMPENSATION JUDGES; LIMITATION.]

No attorney acting pursuant to section 176.261 shall be hired or appointed as a compensation judge for a period of two years following termination of service with the division.

Sec. 104. Minnesota Statutes 1980, Section 176.291, is amended to read:

176.291 [DISPUTES AND DEFAULTS; PROCEDURE.]

Where there is a dispute as to a question of law or fact in connection with a claim for compensation, or where there has been a default in the payment of compensation for a period of ten days, a party may present a verified petition to the commissioner of the department of labor and industry stating the matter in dispute or the fact of default.

The petition shall also state:

- (1) names and residence of parties;
- (2) facts relating to the employment at the time of injury, including amount of wages received;
- (3) extent and character of injury;
- (4) notice to or knowledge by employer of injury;
- (5) facts which the commissioner of the department of labor and industry and workers' compensation court of appeals by rule requires; and,
- (6) such other facts as are necessary for the information of the commissioner of the department of labor and industry and, a compensation judge or the workers' compensation court of appeals.

Sec. 105. Minnesota Statutes 1980, Section 176.301, Subdivision 1, is amended to read:

Subdivision 1. [TRIAL BY COURT; REFERENCE TO COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY.] When issue has been joined in the district court action, the court may try the action itself without a jury, or refer the matter to the commissioner of the department of labor and industry to be assigned for hearing. In the latter case, the commissioner shall refer the matter to the chief hearing examiner for assignment to a compensation judge or the workers' compensation court of appeals upon appeal shall hear the case in the manner in which it hears cases originally. The commissioner of the department of labor and industry shall report the findings

and decision of the compensation judge, or the workers' compensation court of appeals shall report his findings and decisions to the district court. The court may approve or disapprove such decision in the same manner as it approves or disapproves the report of a referee. The court shall enter judgment upon such decision.

Sec. 106. Minnesota Statutes 1980, Section 176.305, is amended to read:

176.305 [PETITIONS FILED WITH THE WORKERS' COMPENSATION DIVISION.]

Subdivision 1. [HEARINGS ON PETITIONS.] *The petitioner shall serve a copy of the petition on each adverse party personally or by first class mail. The original petition shall then be filed with the commissioner together with an appropriate affidavit of service.* When any petition has been filed with the workers' compensation division, the commissioner of the department of labor and industry shall, pursuant to his general rules or those of the workers' compensation court of appeals or special order within ten days, direct that refer the matter presented by the petition to a settlement judge. The settlement judge shall schedule a settlement conference if appropriate within 60 days. If a settlement conference is not appropriate, or if such a conference or conferences do not result in progress toward a settlement, the settlement judge shall certify the matter for a hearing before a compensation judge and shall refer the matter to the chief hearing examiner to be heard by a compensation judge or presented to the workers' compensation court of appeals if it is a matter within its jurisdiction. The division shall hear petitions to commute further compensation.

Subd. 2. [SERVICE OF COPY OF PETITION.] *Within ten days after a petition has been filed, the commissioner of the department of labor and industry shall serve upon each adverse party a copy of the petition and a notice stating whether the hearing will be held before a compensation judge or that the petition has been referred to the workers' compensation court of appeals. The commissioner of the department of labor and industry shall deliver the original petition and copies of the notice which have been served answer, after certification for a hearing before a compensation judge by a settlement judge, to the office of administrative hearings for assignment to a compensation judge or the workers' compensation court of appeals depending upon who will hear the matter.*

Subd. 3. [TESTIMONY.] *Unless the workers' compensation court of appeals orders differently, testimony taken before a judge of the workers' compensation court of appeals or compensation judge is considered as though taken before the workers' compensation court of appeals. Where the commissioner of the department of labor and industry chief hearing examiner has substituted a compensation judge originally assigned to hear a matter, the testimony taken before the substitute compensation judge shall be considered as though taken before the judge before whom it was originally assigned.*

Sec. 107. [176.306] [SCHEDULED HEARINGS.]

Subdivision 1. [CHIEF HEARING EXAMINER.] *The chief hearing examiner shall schedule workers' compensation hearings on as regular a schedule as may be practicable in no fewer than six widely separated locations throughout the state, including at least four locations outside of the seven*

county metropolitan area and Duluth, for the purpose of providing a convenient forum for parties to a compensation hearing and shall maintain a permanent office in Duluth staffed by at least one compensation judge.

Subd. 2. [DISTRICT ADMINISTRATORS; CLERKS OF COURT.] *The judicial district administrators or the clerks of court of the county or district courts nearest to the locations selected by the chief hearing examiner pursuant to subdivision 3 shall provide suitable hearing rooms at the times and places agreed upon for the purpose of conducting workers' compensation hearings.*

Sec. 108. Minnesota Statutes 1980, Section 176.311, is amended to read:

176.311 [REASSIGNMENT OF PETITION FOR HEARING.]

Where a petition is heard before a compensation judge, at any time before an award or order has been made in such proceeding, the ~~commissioner of the department of labor and industry~~ chief hearing examiner may reassign the petition for hearing before another compensation judge.

Sec. 109. Minnesota Statutes 1980, Section 176.321, Subdivision 1, is amended to read:

Subdivision 1. [FILING, SERVICE.] Within ~~ten~~ twenty days after he has been served with a copy of the petition, an adverse party may file a verified answer to the petition. When he files the answer, the party shall also serve a copy on the petitioner or his attorney.

Within five days after he has been served with a copy of the answer, the petitioner may file a verified reply admitting or denying new matter set forth in the answer.

Sec. 110. Minnesota Statutes 1980, Section 176.321, Subdivision 3, is amended to read:

Subd. 3. [EXTENSION OF TIME IN WHICH TO FILE ANSWER.] Upon showing of cause, the commissioner of the department of labor and industry may extend the time in which to file an answer or reply for not more than 30 additional days. *The time to file an answer or reply may also be extended upon agreement of the petitioner. If an answer is not filed and there has been no extension by order of the commissioner or by agreement, the failure to file an answer shall be treated as a default.*

Sec. 111. Minnesota Statutes 1980, Section 176.331, is amended to read:

176.331 [AWARD BY DEFAULT.]

Where an adverse party has failed to file and serve an answer, if the petitioner presents proof of such fact, the ~~commissioner of the department of labor and industry~~ or compensation judge shall enter whatever award or order to which petitioner is entitled on the basis of the facts alleged in the petition, but the ~~commissioner of the department of labor and industry~~ or compensation judge may require proof of ~~any~~ an alleged fact. If the commissioner of the ~~department of labor and industry~~ requires such proof, he shall *request the chief hearing examiner to assign the matter to a compensation judge to summarily hear and determine the same and to promptly make an award or order.*

Where in such a default case the petition does not state facts sufficient to support an award, the ~~commissioner of the department of labor and industry~~ or

compensation judge shall give the petitioner or his attorney written notice of ~~such fact~~ *this deficiency*. The petitioner may thereupon file another petition as in the case of an original petition.

Sec. 112. Minnesota Statutes 1980, Section 176.341, Subdivision 1, is amended to read:

Subdivision 1. [TIME.] When the reply has been filed or the time has expired in which to file a reply; the ~~commissioner of the department of labor and industry~~ *chief hearing examiner* shall fix a time and place for hearing the petition. The hearing shall be held ~~not less than ten days from the time the reply is filed or the expiration of the time in which the reply could have been filed or as soon thereafter as the parties can be heard~~ *as soon as practicable and at a time and place determined by the chief hearing examiner to be the most convenient for the parties, keeping in mind the intent of chapter 176 as expressed in section 52 and the requirements of section 107.*

Sec. 113. Minnesota Statutes 1980, Section 176.351, is amended to read:

176.351 [TESTIMONIAL POWERS.]

Subdivision 1. [OATHS.] The compensation judge to whom a petition has been assigned for hearing shall administer an oath to each witness. ~~The workers' compensation court of appeals shall also administer an oath to each witness appearing before it.~~ The commissioner of the department of labor and industry may also administer an oath when required in the performance of his duties.

Subd. 2. [SUBPOENAS.] Upon his ~~or its~~ own initiative, or upon written request of an interested party, ~~the workers' compensation court of appeals, or~~ the commissioner or compensation judge before whom a hearing is held may issue a subpoena for the attendance of a witness or the production of such books, papers, records and documents as are material in the cause and are designated in the subpoena. The commissioner of the department of labor and industry may also issue a subpoena for the attendance of a witness or the production of such books, papers, records, and documents as are material in the cause pending and are designated in the subpoena.

Subd. 3. [ADVANCEMENT OF FEES AND COSTS.] The person who applies for issuance of a subpoena shall advance the required service and witness fees. The commissioner of the department of labor and industry shall pay for the attendance of witnesses who are subpoenaed by him; ~~or the workers' compensation court of appeals, or a judge of the workers' compensation court of appeals, or.~~ *The chief hearing examiner shall pay for the attendance of witnesses who are subpoenaed by a compensation judge.* The fees are the same as the service and witness fees in civil actions in district court.

Subd. 4. [PROCEEDINGS AS FOR CONTEMPT OF COURT.] Where a person does not comply with an order or subpoena, the commissioner of the department of labor and industry, ~~the workers' compensation court of appeals,~~ or the commissioner or compensation judge concerned, may apply to the district court in the county in which the petition is pending for issuance of an order compelling obedience. Upon such an application, the district court shall compel obedience to the order or subpoena by attachment proceedings as for contempt in the case of disobedience of a similar order or subpoena issued by the district court.

Sec. 114. Minnesota Statutes 1980, Section 176.371, is amended to read:

176.371 [AWARD OR DISALLOWANCE OF COMPENSATION.]

The ~~workers' compensation court of appeals, or a judge of the workers' compensation court of appeals or~~ compensation judge to whom a petition has been assigned for hearing, shall hear all competent evidence produced at the hearing, and, as soon after the hearing as possible, make such findings of fact, conclusions of law, and award or disallowance of compensation or other order as the pleadings, evidence, and this chapter *and rule* require.

Sec. 115. Minnesota Statutes 1980, Section 176.381, is amended to read:

176.381 [REFERENCE OF QUESTIONS OF FACT.]

Subdivision 1. [HEARING BEFORE WORKERS' COMPENSATION COURT OF APPEALS.] In the hearing of any matter before the workers' compensation court of appeals, the *chief judge of the workers' compensation court of appeals* may refer any question of fact to a ~~judge of the workers' compensation court of appeals or the chief hearing examiner for assignment to~~ a compensation judge either to hear evidence and report it to the workers' compensation court of appeals or to hear evidence and make findings of fact and report them to the workers' compensation court of appeals. The workers' compensation court of appeals shall notify the commissioner ~~of the department of labor and industry~~ of any matter referred to a ~~judge of the workers' compensation court of appeals or~~ a compensation judge under this subdivision.

Subd. 2. [HEARING BEFORE COMPENSATION JUDGE.] In the hearing of any petition before a compensation judge, the ~~commissioner of the department of labor and industry~~ *chief hearing examiner* may refer any question of fact to another compensation judge to hear evidence and report it to the original compensation judge.

Sec. 116. Minnesota Statutes 1980, Section 176.391, is amended to read:

176.391 [INVESTIGATIONS.]

Subdivision 1. [POWER TO MAKE.] Before, during, or after any hearing, the commissioner ~~of the department of labor and industry~~ ; *or* a compensation judge ; ~~or workers' compensation court of appeals,~~ if the matter is before it, may make an independent investigation of the facts alleged in the petition or answer.

Subd. 2. [APPOINTMENT OF PHYSICIANS, SURGEONS, AND OTHER EXPERTS.] The ~~workers' compensation court of appeals, or a judge of the workers' compensation court of appeals or~~ compensation judge assigned to a matter, or the commissioner ~~of labor and industry,~~ may appoint one or more neutral physicians or surgeons from the list established by the commissioner to examine the injury of the employee and report thereon *except as provided otherwise pursuant to section 88*. Where necessary to determine the facts, the services of other experts may also be employed.

Subd. 3. [REPORTS.] The report of a physician, surgeon, or other expert shall be filed with the commissioner ~~of the department of labor and industry~~ *and the compensation judge assigned to the matter if any*. The report shall be made a part of the record of the case and be open to inspection as such.

Subd. 4. [COMPENSATION.] The commissioner ~~of the department of~~

~~labor and industry ; or compensation judge ; or workers' compensation court of appeals, as the case may be,~~ shall fix the compensation of a physician, surgeon, or other expert whose services are employed under this chapter. This compensation shall be paid initially out of the funds appropriated for the maintenance of the workers' compensation division, but shall be taxed as costs to either party, or both, or otherwise, as the commissioner of the department of labor and industry ; or compensation judge ; or the workers' compensation court of appeals directs.

Where a sum which has been taxed to a party has not been paid, it may be collected in the same manner as are costs generally.

Sec. 117. Minnesota Statutes 1980, Section 176.401, is amended to read:

176.401 [HEARINGS PUBLIC.]

All hearings before ~~the workers' compensation court of appeals, a judge of the workers' compensation court of appeals, or a compensation judge~~ are public.

Sec. 118. Minnesota Statutes 1980, Section 176.411, Subdivision 1, is amended to read:

Subdivision 1. [CONDUCT OF HEARINGS AND INVESTIGATIONS.] Except as otherwise provided by this chapter, when ~~the workers' compensation court of appeals, a judge of the workers' compensation court of appeals or a compensation judge~~ makes an investigation or conducts a hearing, ~~it or he~~ *the compensation judge* is bound neither by the common law or statutory rules of evidence nor by technical or formal rules of pleading or procedure. The investigation or hearing shall be conducted in a manner to ascertain the substantial rights of the parties.

Findings of fact shall be based upon competent evidence only *and shall comport with section 176.021*.

Sec. 119. Minnesota Statutes 1980, Section 176.411, Subdivision 2, is amended to read:

Subd. 2. [DEPOSITIONS.] Except where ~~the workers' compensation court of appeals, a judge of the workers' compensation court of appeals, or a compensation judge~~ orders otherwise, depositions may be taken in the manner which the law provides for depositions in civil actions in district court.

Sec. 120. Minnesota Statutes 1980, Section 176.421, Subdivision 1, is amended to read:

Subdivision 1. [TIME FOR TAKING; GROUNDS.] When a petition has been heard before a ~~judge of the workers' compensation court of appeals or compensation judge,~~ within 30 days after a party in interest has been served with notice of an award or disallowance of compensation, or other order affecting the merits of the case, he may appeal to the workers' compensation court of appeals on any of the following grounds:

(1) The order does not conform with this chapter; or

(2) The ~~judge of the workers' compensation court of appeals or compensation judge~~ committed an error of law; or

(3) The findings of fact and order were unwarranted by the evidence; or

(4) The findings of fact and order were procured by fraud, or coercion, or other improper conduct of a party in interest.

Sec. 121. Minnesota Statutes 1980, Section 176.421, Subdivision 4, is amended to read:

Subd. 4. [SERVICE AND FILING OF NOTICE; COST OF TRANSCRIPT.] Within the 30 day period for taking an appeal, the appellant shall:

(1) Serve a copy of the notice of appeal on each adverse party;

(2) File the original notice, with proof of service by admission or affidavit, with the ~~commissioner of the department of labor and industry~~ *chief hearing examiner*;

(3) In order to defray the cost of the transcript of the proceedings appealed from, pay to the ~~commissioner of the department of labor and industry~~ *chief hearing examiner* the sum of \$10 or so much of that sum as is necessary to present the question raised on the appeal.

The appellant is liable for the cost of the transcript in excess of \$10, but is entitled to a refund of any part of that sum not used to pay the cost of the transcript.

Upon a showing of cause, the ~~commissioner~~ *chief hearing examiner of the department of labor and industry* may direct that a transcript be prepared without expense to the appellant, *in which case the cost of the transcript shall be paid by the office of administrative hearings.*

Sec. 122. Minnesota Statutes 1980, Section 176.421, Subdivision 5, is amended to read:

Subd. 5. [TRANSCRIPT.] When the notice of appeal has been filed with the ~~commissioner of the department of labor and industry~~ *chief hearing examiner* and the transcription fee has been paid, the ~~commissioner of the department of labor and industry~~ *chief hearing examiner* shall immediately prepare a type-written transcript of the proceedings. The official reporter *or other person designated by the chief hearing examiner* who transcribes the proceedings shall certify to their correctness.

Sec. 123. Minnesota Statutes 1980, Section 176.421, Subdivision 6, is amended to read:

Subd. 6. [POWERS OF WORKERS' COMPENSATION COURT OF APPEALS ON APPEAL.] On an appeal taken under this section, the workers' compensation court of appeals may:

(1) disregard the findings of fact which the ~~judge of the workers' compensation court of appeals~~ *or compensation judge* has made;

(2) examine the ~~testimony and hear other evidence~~ *record*;

(3) substitute for the findings of fact made by the ~~judge of the workers' compensation court of appeals~~ *or compensation judge* such findings as the total evidence requires; and,

(4) make ~~such~~ *an* award or disallowance of compensation or other order as the facts and findings require.

Sec. 124. Minnesota Statutes 1980, Section 176.421, Subdivision 7, is amended to read:

Subd. 7. [RECORD OF PROCEEDINGS.] At the division's own expense, the commissioner of the department of labor and industry shall make a complete record of all proceedings before himself, the workers' compensation court of appeals, a judge of the workers' compensation court of appeals, or compensation judge. The commissioner of the department of labor and industry shall provide a stenographer to make a record of the proceedings before him.

The stenographer commissioner shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge. The commissioner of the department of labor and industry and shall fix the amount of this charge.

Sec. 125. Minnesota Statutes 1980, Section 176.431, Subdivision 1, is amended to read:

Subdivision 1. [HEARING.] Where an appeal has been taken to the workers' compensation court of appeals under this chapter on the ground that the compensation judge has made an error of law, the workers' compensation court of appeals shall grant a hearing, based on the record before the compensation judge, with an opportunity for oral argument. The commissioner chief hearing examiner of the department of labor and industry shall notify the workers' compensation court of appeals promptly of the taking of any appeal.

The workers' compensation court of appeals shall fix a time and place for the hearing, and notify the commissioner of the department of labor and industry who shall give each party in interest at least five days written notice.

Sec. 126. Minnesota Statutes 1980, Section 176.441, Subdivision 1, is amended to read:

Subdivision 1. [DISPOSITION BY WORKERS' COMPENSATION COURT OF APPEALS.] Where an appeal has been taken to the workers' compensation court of appeals under this chapter, on either the ground that the findings or order or both were unwarranted by the evidence, or were procured by fraud, coercion, or other improper conduct of a party, the workers' compensation court of appeals may:

(1) grant a hearing ~~de novo~~ based on the record before the compensation judge; or,

(2) assign remand the petition for a *de novo* hearing or a rehearing, and notify the commissioner of the department of labor and industry, who shall set chief hearing examiner, who shall assign the *de novo* hearing or the rehearing before a compensation judge; or,

(3) sustain, reverse, or modify the order appealed from.

Sec. 127. Minnesota Statutes 1980, Section 176.461, is amended to read:

176.461 [SETTING ASIDE AWARD.]

Except where a writ of certiorari has been issued by the supreme court and the matter is still pending in that court or where as a matter of law the determination of the supreme court cannot be subsequently modified, the workers' compensation court of appeals, for cause, at any time after an award, upon application of either party and not less than five days after written notice to all interested parties, may set the award aside and grant a new hearing before itself

or and refer the matter for a determination on its merits to the chief hearing examiner for assignment to a compensation judge, who shall make such findings of fact, conclusions of law, and award or disallowance of compensation or other order as the pleadings and the evidence produced and the provisions of this chapter shall require.

Sec. 128. Minnesota Statutes 1980, Section 176.471, Subdivision 3, is amended to read:

Subd. 3. [SERVICE OF WRIT AND BOND; FILING FEE.] To effect a review upon certiorari, the party shall serve a writ of certiorari and a bond upon the ~~commissioner of the department of labor and industry administrator of the workers' compensation court of appeals~~ within the 30 day period referred to in subdivision 1. The party shall also at this time pay to the ~~secretary of the commissioner of the department of labor and industry administrator~~ the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule.

Sec. 129. Minnesota Statutes 1980, Section 176.471, Subdivision 5, is amended to read:

Subd. 5. [BOND.] The bond required by subdivision 3 shall be executed in such amount and with such sureties as the ~~commissioner of the department of labor and industry workers' compensation court of appeals~~ directs and approves. The bond shall be conditioned to pay the cost of the review.

Sec. 130. Minnesota Statutes 1980, Section 176.471, Subdivision 6, is amended to read:

Subd. 6. [TRANSMITTAL OF FEE AND RETURN.] When the writ of certiorari has been served upon the ~~commissioner of the department of labor and industry administrator of the workers' compensation court of appeals~~, the bond has been filed, and the filing fee has been paid, the ~~commissioner of the department of labor and industry administrator~~ shall immediately transmit to the clerk of the supreme court that filing fee and the return to the writ of certiorari and bond.

Sec. 131. Minnesota Statutes 1980, Section 176.471, Subdivision 8, is amended to read:

Subd. 8. [RETURN OF PROCEEDINGS TRANSMITTED TO COURT.] Within 30 days after the writ of certiorari, bond, and filing fee have been filed with the ~~commissioner of the department of labor and industry administrator of the workers' compensation court of appeals~~, the ~~commissioner of the department of labor and industry administrator~~ shall transmit to the clerk of the supreme court a true and complete return of the proceedings of the workers' compensation court of appeals under review, or such part of those proceedings as is necessary to allow the supreme court to review properly the questions presented.

The ~~commissioner of the department of labor and industry workers' compensation court of appeals~~ shall certify the return of the proceedings under his ~~its~~ seal. The petitioner or relator shall pay to the ~~commissioner of the department of labor and industry administrator of the workers' compensation court of appeals~~ the reasonable expense of preparing the return.

Sec. 132. Minnesota Statutes 1980, Section 176.491, is amended to read:

176.491 [STAY OF PROCEEDINGS PENDING DISPOSITION OF CASE.]

Where a writ of certiorari has been perfected under this chapter, it stays all proceedings for the enforcement of the order being reviewed until the case has been finally disposed of either in the supreme court or, where the cause has been remanded to ~~the workers' compensation division~~ for a new hearing *before a compensation judge* or further proceedings, ~~before the workers' compensation court of appeals or compensation judge.~~

Sec. 133. Minnesota Statutes 1980, Section 176.511, Subdivision 1, is amended to read:

Subdivision 1. [PARTIES NOT AWARDED COSTS.] Except as provided otherwise by this chapter and specifically by this section, ~~in hearings appeals before the workers' compensation court of appeals, or a judge of the workers' compensation court of appeals, or hearings before a compensation judge,~~ costs shall not be awarded to either party.

Sec. 134. Minnesota Statutes 1980, Section 176.521, Subdivision 1, is amended to read:

Subdivision 1. [VALIDITY.] An agreement between an employee or his dependent and the employer or insurer to settle any claim, which is not upon appeal before the workers' compensation court of appeals, for compensation under this chapter is valid where it has been executed in writing and signed by the parties, and intervenors in the matter, and the *division or a compensation judge* has approved the settlement and made an award thereon. If the matter is upon appeal before the workers' compensation court of appeals *or district court*, the workers' compensation court of appeals *or district court* is the approving body.

Sec. 135. Minnesota Statutes 1980, Section 176.521, Subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] Settlements shall be approved only where the terms conform with this chapter.

The division, *a compensation judge*, and the workers' compensation court of appeals shall exercise discretion in approving or disapproving a proposed settlement.

The parties to the agreement of settlement have the burden of proving that the settlement is reasonable, fair, and in conformity with this chapter. A settlement agreement where both the employee or his dependent and the employer or insurer and intervenors in the matter are represented by an attorney shall be presumed to be reasonable, fair, and in conformity with this chapter.

Sec. 136. Minnesota Statutes 1980, Section 176.531, Subdivision 3, is amended to read:

Subd. 3. [PROMPT PAYMENT.] ~~It is the intent of this section shall be liberally construed to insure the that there be~~ prompt payment of compensation.

Sec. 137. Minnesota Statutes 1980, Section 176.645, is amended to read:

176.645 [ADJUSTMENT OF BENEFITS.]

Subdivision 1. [AMOUNT.] For injuries occurring after October 1, 1975 for which benefits are payable under section 176.101, subdivisions 1, 2 and 4, and section 176.111, subdivision 5, the ~~amount~~ *total benefits* due the employee or any dependents shall be adjusted in accordance with this section. On October 1, ~~1976~~ 1981, and ~~each October 1~~ thereafter *on the anniversary of the date of the employee's injury* the ~~amount~~ *total benefits* due shall be adjusted by multiplying the ~~amount~~ *total benefits* due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, ~~24 months prior of the year two years previous~~ to the adjustment and the numerator of which is the statewide average weekly wage for December 31, ~~nine months prior of the year previous~~ to the adjustment. For injuries occurring after October 1, 1975, all adjustments provided for in this section shall be included in computing any benefit due under this section. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section. No adjustment increase made on October 1, 1977 or thereafter under this section shall 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.

Subd. 2. [TIME OF FIRST ADJUSTMENT.] For injuries occurring on or after October 1, 1981, the initial adjustment made pursuant to subdivision 1 shall be deferred until the first anniversary of the date of the injury.

Sec. 138. Minnesota Statutes 1980, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of employee relations shall meet and negotiate with the exclusive representative of each of the units specified in section 179.741, subdivision 1, in the manner prescribed by sections 179.61 to 179.76. The appropriate units provided for in section 179.741 shall be the only appropriate units for executive branch state employees. The positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of employee relations in accordance with the provisions of section 43.326 and so designated in the official state compensation schedules, all unclassified positions in the state university system and the community college system defined as managerial by their respective boards, all positions of physician employees compensated pursuant to section 43.126, the positions of all unclassified employees appointed by the governor, lieutenant governor, secretary of state, attorney general, treasurer and auditor, all positions in the bureau of mediation services and the public employment relations board, all hearing examiner *and compensation judge* positions in the office of administrative hearings, and the positions of all confidential employees shall be excluded from any appropriate unit. The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 139. [REENACTMENT.]

Subdivision 1. Laws 1980, Chapter 556, Sections 6 to 13, are reenacted.

Subd. 2. All acts authorized by and complying with Laws 1980, Chapter 556, Sections 6 to 13, are legal and valid.

Sec. 140. [TRANSITION AND VALIDATION; WORKERS' COMPEN-

SATION COURT OF APPEALS.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of the legislature to constitute the workers' compensation court of appeals as an independent agency of the state and this act is not intended to affect any substantive rights beyond the extent necessary to accomplish said purpose. Any rules, decisions or other actions under chapter 175 and chapter 176 prior to the effective date of this section shall continue in full force and effect unless this act expressly provides otherwise. Matters currently before the workers' compensation court of appeals shall not be affected by the provisions of this act.

Subd. 2. [PERSONNEL.] All personnel appointed by the commissioner of labor and industry to perform full time duties for the workers' compensation court of appeals are transferred to the workers' compensation court of appeals. The transfer shall not affect any other term or condition of the transferred employee's employment.

Sec. 141. [TRANSITION; COMPENSATION JUDGES.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of this act to transfer the compensation judges, except for the three settlement judges and their support staff, but including other hearing reporters, and other judicial support staff in the workers' compensation division of the department of labor and industry, to the office of administrative hearings as a separate unit in order to provide for a completely objective hearing process with regard to workers' compensation matters. The offices of the transferred compensation judges shall be physically located in a building separate from the offices of the department of labor and industry.

Notwithstanding the provisions of any law to the contrary, the provisions of this act shall not be construed to require that hearings in workers' compensation matters be subject to the contested case procedures of sections 15.041 to 15.052. Any provision of chapter 176 which would conflict with the provisions of this act with regard to the hearing procedures to be followed in workers' compensation matters are subordinate to the provisions of this act.

Subd. 2. [PERSONNEL, EQUIPMENT.] All personnel appointed by the commissioner to perform full time duties as compensation judges, hearing reporters or in support of the functions of the compensation judges, except for the settlement judge or judges, their hearing reporters and support staff, are transferred to the office of administrative hearings. No employee transferred pursuant to this section shall suffer a diminution of total compensation by reason of such transfer.

All equipment and supplies used solely by the transferred personnel in the performance of their duties are transferred to the office of administrative hearings.

Subd. 3. [COOPERATION.] Beginning on the effective date of this act, the commissioner, the commissioner of administration and the chief hearing examiner shall cooperate in assuring a smooth transfer of the compensation judges and related personnel and equipment and supplies as provided in this act.

Subd. 4. [EFFECTIVE DATE.] The transfers required under this section are effective on July 1, 1981. The physical relocation of the offices of the

compensation judges shall be accomplished by no later than January 1, 1982.

Sec. 142. [RATE REDUCTION.]

Subdivision 1. [AMOUNT.] Within 15 days following the date of final enactment the commissioner of insurance shall make a final determination as to the impact of the provisions of this act on the schedule of rates which will be in effect on June 2, 1981. The commissioner shall then issue an order, pursuant to the authority granted in section 11, reducing the schedule of rates and making other necessary changes to that schedule to reflect the actual savings which will result from this act. The reduction shall be equal to or greater than the sum of the following factors:

(a) a reduction of 20.9 percent as a reflection of the impact of section 12;

(b) a reduction of 15 percent as a reflection of the impact of changes in the benefits payable pursuant to chapter 176 and in the administration and operation of the Minnesota workers' compensation system provided by this act.

Subd. 2. [EXCEPTION.] The commissioner may reduce any of the changes in the schedule of rates required in subdivision 1, clause (a), if he finds that a previous rate order issued pursuant to section 79.071 has already incorporated the required reductions.

Sec. 143. [SEVERABILITY.]

If any provision of this act is found to be unconstitutional and void, the remaining provisions of the act shall remain valid, unless the court finds the valid provisions of the act are so essentially and inseparably connected with, and so dependent upon, the void provisions that the court cannot presume the legislature would have enacted the remaining valid provisions without the void one; or unless the court finds the remaining valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Sec. 144. [APPROPRIATIONS.]

Subdivision 1. The sum of \$150,000 is appropriated from the general fund to the legislative coordinating commission for the purpose of conducting, in cooperation with the commissioner of insurance, a thorough study of the flow of all premium dollars paid to workers' compensation insurers in the state of Minnesota, including a closed compensator claim survey and an examination of insurer reserving practices, and the studies required under section 87. A report shall be made to the legislature by January 15, 1982.

Subd. 2. There is appropriated to the workers' compensation court of appeals for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

1982	1983
\$15,970	\$15,970

Subd. 3. There is appropriated from the general fund to the commissioner of labor and industry for the fiscal year indicated for the purpose of hiring six additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided in section 96; and for the purpose of hiring four additional rehabilitation personnel.

1982	1983
\$246,200	\$246,200

Additional approved complement - 6

Subd. 4. The sum of \$5,000 is appropriated from the general fund to the workers' compensation court of appeals for the purpose of conducting the study provided for in section 89, subdivision 7.

Subd. 5. [UNEXPENDED AND TRANSFERRED FUNDS.] Any appropriation to the department of labor and industry for the purposes of any of its functions, powers, or duties which are transferred by this act to the workers' compensation court of appeals or the office of administrative hearings is hereby transferred to the workers' compensation court of appeals or the office of administrative hearings, allocated to each agency or department in appropriate amounts as determined by the commissioner of finance. When the functions, powers and duties that are affected by this act are the responsibility of the department of labor and industry and another department or agency, the commissioner of finance shall allocate any appropriation to the department or agency between the department of labor and industry and the other departments or agencies affected, as may be appropriate.

The unexpended balance of any appropriation to the department of labor and industry for the purposes of any of its functions, powers, or duties which are transferred by this act to the workers' compensation court of appeals or the office of administrative hearings are hereby transferred to the workers' compensation court of appeals and the office of administrative hearings, allocated to each agency or department in appropriate amounts as determined by the commissioner of finance. When the functions, powers and duties that are affected by this act are the responsibility of the department of labor and industry and another department or agency, the commissioner of finance shall allocate any unexpended appropriation to the department or agency between the department of labor and industry and the other departments or agencies affected, as may be appropriate.

Subd. 6. There is appropriated from the general fund to the commissioner of insurance for the fiscal year indicated for the purpose of hiring two additional personnel to assist in the discharge of his responsibilities under sections 9 to 37, 87, 142, and 144:

1982	1983
\$51,300	\$49,100

Additional approved complement - 2.

Subd. 7. The following sums are appropriated from the general fund in the fiscal years indicated for the purposes of implementing the computerization of the records and information system of the department of labor and industry. 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. The commissioner of insurance in consultation with the commissioners of labor and industry and of administration, shall propose a plan for implementation of this computerization no later than August 1, 1981. The commissioner of insurance shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to section 16.955, but this project is not subject to the requirements of that section. The installation and operation of computer equipment shall com-

mence by October 1, 1981 and be completed by January 1, 1981.

1982	1983
\$450,000	\$100,000

Subd. 8. There is appropriated from the general fund to the chief hearing examiner for the fiscal years indicated the following sums for the purpose of funding the salary increase for compensation judges provided in section 7:

1982	1983
\$68,970	\$68,970

Subd. 9. The sum of \$90,000 is appropriated from the general fund to the chief hearing examiner for the purposes of section 141.

Sec. 145. [REPEALER.]

Minnesota Statutes 1980, Sections 79.071, Subdivision 1; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20; 79.21; 79.22, Subdivision 1; 79.221; 79.23; 79.24; 79.25; 79.26; 79.27; 79.28; 79.29; 79.30; 79.31; 79.32; and 79.33 are repealed effective July 1, 1983. Minnesota Statutes 1980, Sections 79.071, Subdivisions 2, 3, 4, 5, 6, and 7; 79.072; and 79.073 are repealed effective January 1, 1986. Minnesota Statutes 1980, Sections 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2, are repealed.

Sec. 146. [EFFECTIVE DATE.]

Sections 11, 21, 22, 23, 35, 36, 37, 38, 53, 54, 141, and 142 are effective the day following final enactment. Sections 1 to 8, 12, 39 to 52, 55 to 95, 99 to 138, 140, and 143 to 145 are effective July 1, 1981. Sections 96 to 98 are effective October 1, 1981. Sections 9, 10, and 13 to 20 are effective January 1, 1982. Sections 24 to 34 are effective July 1, 1983. Section 139 is effective retroactively to April 12, 1980."

Delete the title and insert:

"A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; providing for transition to competitive workers' compensation insurance rates; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; transferring responsibility for the assigned risk plan to the commissioner of insurance; creating an assigned risk plan review board; permitting benefit payment transferring certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; modifying filing procedures; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry;

permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; defining employee in certain situations; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of insurance to develop a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a pilot medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; providing for an offset against welfare payments; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; delaying first benefit adjustment under chapter 176; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; changing procedures; creating and abolishing duties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4 and 5; 15A.083, by adding a subdivision; 43.064; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1 and by adding subdivisions; 79.25; 79.26; 79.27; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.011, Subdivisions 6 and 9; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.321, Subdivisions 1 and 3; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; reenacting Laws 1980, Chapter 556, Sections 6 to 13; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2,

3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20; 79.21; 79.22, Subdivision 1; 79.221; 79.23; 79.24; 79.25; 79.26; 79.27; 79.28; 79.29; 79.30; 79.31; 79.32; 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2.”

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

Senate Conferees: (Signed) Collin C. Peterson, Florian Chmielewski, Donald M. Moe, Tom A. Nelson, Duane D. Benson

House Conferees: (Signed) Wayne A. Simoneau, James I. Rice, Joseph R. Begich, Fred C. Norton.

Mr. Peterson, C. C. moved that the foregoing recommendations and Conference Committee Report on S. F. No. 359 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. 359 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 55 and nays 7, as follows:

Those who voted in the affirmative were:

Benson	Frank	Lantry	Penny	Solon
Berg	Frederickson	Lessard	Peterson, C.C.	Spear
Berglin	Hanson	Lindgren	Peterson, D.L.	Stern
Bernhagen	Hughes	Luther	Petty	Stokowski
Bertram	Humphrey	Manning	Purfeerst	Stumpf
Brataas	Johnson	Merriam	Renneke	Taylor
Dahl	Knoll	Moe, D. M.	Rued	Tennessen
Davies	Knutson	Moe, R. D.	Schmitz	Ulland
Davis	Kroening	Nelson	Setzepfandt	Vega
Dicklich	Kronebusch	Olhoff	Sieloff	Waldorf
Dieterich	Langseth	Pehler	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Engler	Kamrath	Pillsbury	Ramstad
Bang	Frederick			

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. Moe, R.D. 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. 1126: A bill for an act relating to insurance; providing for continued health and accident coverage for former spouses and children after dissolution of the marriage in certain circumstances; amending Minnesota Statutes 1980, Section 62A.21, Subdivision 3, and by adding subdivisions; repealing Minnesota Statutes 1980, Section 62A.21, Subdivision 2.

Senate File No. 1126 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Ulland moved that the Senate concur in the amendments by the House to S. F. No. 1126 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1126 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	Dieterich	Kronebusch	Peterson, D.L.	Stern
Bang	Engler	Langseth	Peterson, R.W.	Stokowski
Benson	Frank	Lantry	Petty	Stumpf
Berg	Frederickson	Lessard	Pillsbury	Taylor
Bernhagen	Hanson	Lindgren	Ramstad	Tennesen
Bertram	Hughes	Merriam	Renneke	Ulland
Brataas	Johnson	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knoll	Nelson	Setzepfandt	Wegener
Davis	Knutson	Olhoft	Solon	
Dicklich	Kroening	Penny	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. 470: A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, confidential nonpublic and protected nonpublic; making certain changes in laws relating to the collection and dissemination of data; amending Minnesota Statutes 1980, Sections 15.1611, Subdivision 2; 15.162, Subdivisions 1a, 2a, 5a, 5b, 5c, and 8; 15.163, Subdivision 4; 15.1642, Subdivision 2a; 15.165, Subdivision 3; 15.1672; 15.1673; 15.1692, Subdivision 3, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1695, Subdivision 1; 15.1698, Subdivision 1; and 15.1699; providing for the recodification of Minnesota Statutes, Sections 15.1611 to 15.1699.

Senate File No. 470 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1981

CONCURRENCE AND REPASSAGE

Mr. Tennesen moved that the Senate concur in the amendments by the House to S. F. No. 470 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 470: A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, confidential nonpublic and protected nonpublic; making certain changes in laws relating to the collection and dissemination of data; amending Minnesota Statutes 1980, Sections 15.1611, Subdivision 2; 15.162, Subdivisions 1a, 2a, 5a, 5b, 5c, and 8; 15.163, Subdivision 4; 15.1642, Subdivision 2a; 15.165, Subdivision 3; 15.1672; 15.1673; 15.1692, Subdivision 3, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1695, Subdivision 1; 15.1698, Subdivision 1; and 15.1699; providing for the recodification of Minnesota Statutes, Sections 15.1611 to 15.1699; repealing Minnesota Statutes 1980, Section 15.162, subdivision 1a.

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 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lindgren	Peterson, R. W.	Stern
Bang	Engler	Luther	Petty	Stokowski
Benson	Frank	Menning	Pillsbury	Stumpf
Berg	Frederick	Merriam	Purfeerst	Taylor
Bernhagen	Frederickson	Moe, D. M.	Ramstad	Tennesen
Bertram	Hughes	Moe, R. D.	Renneke	Ulland
Brataas	Kamrath	Nelson	Rued	Vega
Dahl	Kroening	Olhoft	Schmitz	Waldorf
Davies	Kronebusch	Penny	Sieloff	Wegener
Davis	Lantry	Peterson, C. C.	Solon	Willet
Dicklich	Lessard	Peterson, D. L.	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 that the House refuses to concur in the Senate amendments to House File No. 3:

H. F. No. 3: A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04,

Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

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

McCarron, Samuelson and Kaley have been appointed as such committee on the part of the House.

House File No. 3 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, 1981

Mr. Tennesen moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 3, 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. 445 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 445: A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

Senate File No. 445 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 660 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 660: A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

Senate File No. 660 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 690 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 690: A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

Senate File No. 690 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 1212 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1212: A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

Senate File No. 1212 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 407 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 407 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 16, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 407

A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.09, Subdivision 1.

May 14, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 407, 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. 407 be further

amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 60C.03, is amended by adding a subdivision to read:

Subd. 8. “Insolvent insurer” means an insurer licensed to transact insurance in this state, either at the time the policy was issued, or when the insured event occurred, and against whom an order of liquidation with a finding of insolvency has been entered after the effective date of this section by a court of competent jurisdiction, in the insurer’s state of domicile or of this state, under the provisions of Minnesota Statutes, Chapter 60B, and which order of liquidation has not been stayed or been the subject of a writ of supersedeas or other comparable order.

Sec. 2. Minnesota Statutes 1980, Section 60C.09, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] A covered claim is any unpaid claim, including one for unearned premium, which:

(a) Arises out of *and is within the coverage of* an insurance policy issued by a member insurer *if such insurer becomes an insolvent insurer after the effective date of this section;*

(b) Arises out of a class of business which is not excepted from the scope of Laws 1971, Chapter 145 by section 60C.02; *and*

~~(c) Has been approved in the liquidation of the insurer issuing the policy, carried out under chapter 60B or under similar laws of another state or country; and~~

~~(d)~~ (c) Is made by:

(i) A policyholder, or an insured beneficiary under a policy, who, at the time of the insured event, was a resident of this state; or

(ii) A person designated in the policy as having an insurable interest in or related to property situated in this state at the time of the insured event; or

(iii) An obligee or creditor under any surety bond, who, at the time of default by the principal debtor or obligor, was a resident of this state; or

(iv) A third party claimant under a liability policy or surety bond, if: (a) the insured or the third party claimant was a resident of this state at the time of the insured event; (b) the claim is for bodily or personal injuries suffered in this state by a person who when he suffered the injuries was a resident of this state; or (c) the claim is for damages to real property situated in this state at the time of damage; or

(v) A direct or indirect assignee of a person who except for the assignment might have claimed under (i), (ii) or (iii).

Sec. 3. Minnesota Statutes 1980, Section 60C.10, Subdivision 3, is amended to read:

Subd. 3. If the board finds that a claim for which the claimant has requested payment out of the fund is not a covered claim or the board reduces the amount of or rejects the ~~award under subdivision 2 claim~~, the board shall notify the

claimant in writing of his rights under section 60C.12.

Sec. 4. [REPEALER.]

Minnesota Statutes 1980, Section 60C.10, Subdivision 2, is repealed."

Delete the title and insert:

"A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; defining an insolvent insurer; amending Minnesota Statutes 1980, Sections 60C.03, by adding a subdivision; 60C.09, Subdivision 1; and 60C.10, Subdivision 3; repealing Minnesota Statutes 1980, Section 60C.10, Subdivision 2."

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

House Conferees: (Signed) Ann Wynia, Robert L. Ellingson, John R. Kaley

Senate Conferees: (Signed) Irving M. Stern; Otto T. Bang, Jr.; Jack Davies

Mr. Stern moved that the foregoing recommendations and Conference Committee Report on H. F. No. 407 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. 407 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:

Bang	Dieterich	Lantry	Pillsbury	Stumpf
Benson	Engler	Lessard	Ramstad	Taylor
Berg	Frank	Lindgren	Renneke	Tennessee
Berglin	Frederick	Moe, D. M.	Rued	Ulland
Bernhagen	Frederickson	Moe, R. D.	Schmitz	Vega
Bertram	Hanson	Nelson	Setzepfandt	Waldorf
Brataas	Hughes	Olhoft	Sieloff	Wegener
Dahl	Kamrath	Penny	Sikorski	
Davies	Knutson	Peterson, D.L.	Spear	
Davis	Kroening	Peterson, R.W.	Stern	
Dicklich	Kronebusch	Petty	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. 691 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 691 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 16, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 691

A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sections 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

May 14, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 691, 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. 691 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [484.72] [ELECTRONIC RECORDING OF COURT PROCEEDINGS.]

Subdivision 1. [AUTHORIZATION.] Except as provided in subdivision 4, electronic recording equipment may be used to record court proceedings in lieu of a court reporter. However, at the request of any party to any proceedings, the court may, in its discretion, require a competent stenographer who meets minimum qualifications promulgated by the supreme court, to make a complete stenographic record of the proceedings.

Subd. 2. [APPOINTMENT OF OPERATOR, COSTS AND PAYMENT.] The court shall have the authority to appoint a person or persons to operate and monitor electronic recording equipment. The person or persons may be paid on a salary basis, on a contract basis, or such other basis as the court deems appropriate.

Subd. 3. [SPECIFICATION FOR ELECTRONIC RECORDING EQUIPMENT; QUALIFICATIONS FOR OPERATOR.] For the purpose of this section the state court administrator shall promulgate specifications for acceptable electronic recording equipment used to record court proceedings and minimum qualifications for the persons who operate and monitor the equipment.

Subd. 4. [LIMITATIONS ON USE OF ELECTRONIC RECORDING EQUIPMENT.] A competent stenographer who meets minimum qualifications promulgated by the supreme court, shall make a complete stenographic record of the following court proceedings:

(1) *Felony and gross misdemeanor offenses, except arraignments and first appearance in district court as specified in rule 8 of the rules of criminal procedure.*

(2) *District court jury trials.*

(3) *Contested district court trials and fact-finding hearings. Where required by statute or court rule, electronic recording equipment may be used in addition to the services of a competent stenographer.*

Subd. 5. [MALFUNCTION OF ELECTRONIC RECORDING.] If, when electronic recording equipment is used, a malfunction occurs in the recording process so that the recording is incomplete, the court may declare a mistrial if the malfunction is discovered during the trial. If the malfunction is discovered in the course of preparing a transcript after a verdict has been entered, the court may grant a new trial upon motion of any party.

Sec. 2. Minnesota Statutes 1980, Section 486.02, is amended to read:

486.02 [STENOGRAPHIC RECORD.]

Such reporter Except as provided in section 1, a competent stenographer who meets minimum qualifications promulgated by the supreme court, shall make a complete stenographic record of all testimony given and all proceedings had before the judge upon the trial of issues of fact, with or without a jury, or before any referee appointed by such judge. In so doing he shall take down all questions in the exact language thereof, and all answers thereto precisely as given by the witness or by the sworn interpreter. He shall also record, verbatim, all objections made, and the grounds thereof as stated by counsel, all rulings thereon, all exceptions taken, all motions, orders, and admissions made and the charge to the jury. When directed so to do by the judge, he shall make a like record of any other matter or proceeding, and shall read to such judge or referee any record made by him, or transcribe the same, without charge, for any purpose in furtherance of justice.

Sec. 3. Minnesota Statutes 1980, Section 486.03, is amended to read:

486.03 [FURNISH TRANSCRIPT; FILE RECORD.]

As soon as the trial is ended the reporter or operator of electronic recording equipment shall file his stenographic report, or tape recording, thereof with the clerk, or elsewhere, if the judge shall so direct; and, upon request of any person interested and payment or tender of his fees therefor, he shall furnish a transcript of such record in the words and figures represented by the characters used in making the same and for that purpose he may take and retain such record so long as may be necessary, when it shall be returned to the files.

Sec. 4. Minnesota Statutes 1980, Section 484.545, Subdivision 2, is amended to read:

Subd. 2. The judges, by order filed with the county auditors on or before the first Monday in August, 1975, and annually on or before the first Monday in January thereafter shall fix and establish the salary of each law clerk not to exceed \$15,000 per year without the approval of the county board of each of the counties involved, and shall apportion the total salaries paid among the several counties to which the judges are assigned, according to the population of each county. Notwithstanding any law to the contrary, in all judicial districts, except the fourth judicial district, a salary range for law clerks shall be established annually by the judicial district administrator with the approval of a majority of judges of the district. The salary for each law clerk shall be set within that range annually by the district administrator after consultation with the chief judge.

Nothing herein shall change the manner by which law clerk salaries are paid, the proportions among the various counties of a judicial district by which the funds are allocated or any statutory provision related to law clerk compen-

sation other than the manner of setting salary. Each county shall be required by the order to pay a specified amount thereof in monthly installments which shall be such proportion of the whole salaries as the population of the county is to the total population of the counties to which the judge is assigned as determined by the last census.

Sec. 5. Minnesota Statutes 1980, Section 484.545, is amended by adding a subdivision to read:

Subd. 4. All law clerks in every judicial district, shall serve without tenure at the pleasure of the appointing judge or judges.

Sec. 6. [EFFECTIVE DATE.]

Section 1, subdivisions 3 and 4 are effective the day after final enactment. Section 1, subdivisions 1, 2 and 5, and sections 2 and 3 are effective upon promulgation of the specifications and qualifications as provided in section 1, subdivision 3."

Delete the title and insert:

"A bill for an act relating to courts; permitting the use of electronic recording equipment in certain district court proceedings; permitting all judicial districts except Hennepin county to set salaries of law clerks; clarifying that all law clerks are unclassified employees and without tenure; amending Minnesota Statutes 1980, Sections 484.545, Subdivision 2, and by adding a subdivision; 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484."

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

House Conferees: (Signed) Kenneth P. Zubay, Tad Jude, Richard M. O'Connor

Senate Conferees: (Signed) Nancy Brataas, Gene Merriam, Bob Lessard

Mrs. Brataas moved that the foregoing recommendations and Conference Committee Report on H. F. No. 691 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. 691 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 19, as follows:

Those who voted in the affirmative were:

Bang	Davies	Langseth	Peterson, D.L.	Spear
Benson	Engler	Lantry	Pillsbury	Stumpf
Berg	Frederick	Lessard	Renneke	Taylor
Bernhagen	Frederickson	Lindgren	Rued	Tennessee
Bertram	Hanson	Merriam	Schmitz	Waldorf
Brataas	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Knutson	Olhofi	Sieloff	

Those who voted in the negative were:

Berglin	Frank	Kroening	Peterson, R.W.	Stern
Davis	Hughes	Kronebusch	Petty	Stokowski
Dicklich	Humphrey	Moe, D. M.	Ramstad	Vega
Dieterich	Knoll	Penny	Sikorski	

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. 487 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 487 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 16, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 487

A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, Subdivision 6.

May 15, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 487, 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. 487 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1974, Chapter 435, Section 3.02, Subdivision 2, as amended by Laws 1978, Chapter 745, Section 1, is amended to read:

Subd. 2. [APPOINTMENT OF CIVIL SERVICE COMMISSION, TERMS.]

(a) The board of county commissioners of Ramsey county shall by majority vote, appoint three persons as the first members of a civil service commission to serve for terms of two, four and six years. *On or before August 1, 1981, the board shall appoint two additional members to serve on the civil service commission, making a total of five commission members. One new member shall serve for a term of five years and the other for three.* As the term of each commissioner expires, the board of county commissioners shall fill the vacancy for a term of six years.

(b) No person may act as a member of the civil service commission while holding a public office, or while holding office in a political party *above the state legislative district level*, nor for two years after having held this kind of public or political office.

(c) Each member of the commission must be a resident of the county.

(d) The board of county commissioners shall fill a vacancy occurring within

a term for the unexpired portion of the term.

(e) Each commissioner shall hold office until his successor has been appointed and has qualified.

(f) The commission shall organize by electing one of its members as chairman and one as secretary. The commission shall hold regular meetings at least once a month and may hold the additional meetings that may be necessary to discharge the duties of the commission. Twenty-four hours notice of special meetings shall be given members.

Sec. 2. Laws 1974, Chapter 435, Section 3.02, Subdivision 6, as amended by Laws 1978, Chapter 745, Section 1, Laws 1979, Chapter 313, Section 2, and Laws 1981, Chapter 52, Section 1, is amended to read:

Subd. 6. [CLASSIFICATION OF SERVICE.]

(a) [DEFINITION OF COVERAGE.] The officers and employees of Ramsey County and of a county or joint county and city agency, board, commission or committee supported in whole or in part by taxation upon the taxable property of the county, or appointed by the judges of the district court or probate court for the county, or by a board or agency composed of representatives of the county and a city in the county and employees employed in hospitals, preventoria, county nursing homes, and the welfare department are divided into the unclassified and classified service.

(b) [UNCLASSIFIED SERVICE.] The unclassified service comprises:

(1) An officer elected by popular vote or a person appointed to fill a vacancy in such an office.

(2) The head or principal administrative officer of a separate department or agency created by law, the director of the welfare department.

(3) A chief deputy or principal assistant for each elected public official and for the county engineer and veterans' service officer.

(4) Each doctor, intern, student nurse and intern dietician employed by the county or a county agency.

(5) Each member of the teaching staff, supervisor and principal in the employ of the county, actually engaged in teaching or the supervision of teaching.

(6) A member of a board or commission appointed by the county, or the county and the city, or acting in an advisory capacity.

(7) A weed inspector, election judge, election clerk or other employee employed by the county for a limited period of time.

(8) A special police officer or special deputy sheriff serving without pay.

(9) A judge, court administrator, court reporter, receiver, referee, examiner or assistant examiner of titles, public defender, arbiter, juror, clerk of probate court or a person appointed by the district or probate courts to make or conduct a special inquiry of a judicial and temporary character.

(10) The director of court services and three principal assistants or division supervisors.

(11) The employees of the municipal court of Ramsey County and the

judicial district administrator's office.

(12) The principal administrative officer of the detention and corrections department, his first assistant, the superintendent of each departmental facility and his first assistant or chief deputy.

(13) The chief executive officer of St. Paul-Ramsey Hospital and seven principal assistants.

(14) The executive secretary or the principal administrative officer of the county and seven principal assistants, appointed and terminated by the executive secretary or the principal administrative officer, except that until January 1, 1980 such appointments and terms shall be submitted to the Ramsey County government study commission. Such consideration shall be advisory only.

(15) The Ramsey County sheriff, his chief deputy, ~~two~~ three principal assistants and a personal secretary.

(16) The Ramsey County attorney, his first assistant, one principal assistant, and a personal secretary.

(c) [CLASSIFIED SERVICE.] (1) The classified service includes all other offices or employments in the county and county agencies, and all officers and employees not expressly placed in the unclassified service.

(2) Each employee in the classified service is placed in a graded division except an employee whose position is in a certified bargaining unit as defined under the public employment labor relations act and an employee in an ungraded division established by the county board. The ungraded division, if one is established, includes each employee in a construction trade who is engaged in the work of repair, alteration or construction of buildings for which trade there is a generally established and recognized scale of wages inside the county.

(3) (A) The superintendent and assistant superintendent of the Ramsey County nursing home are in the classified service.

(B) The provisions of Minnesota Statutes, Section 393.07, Subdivision 5, are hereby superseded insofar as they may be inconsistent with this section.

Sec. 3. Laws 1974, Chapter 435, Section 3.11, is amended to read:

Sec. 3.11. [ABSTRACT CLERK.]

(a) ~~Subdivision 1.~~ [TERM.] In Ramsey county an abstract clerk shall be elected at the general election for county officers and his term of office is for four years and until his successor is elected and qualified.

(b) ~~Subd. 2.~~ [DUTIES.] (1) The abstract clerk of Ramsey county has the sole and exclusive power, and it is his official duty to make out all official abstracts of title affecting real property inside the county, as an official thereof, and the register of deeds shall have no power or authority in the premises whatsoever.

(2) The duties of the Ramsey county abstract clerk do not impair the power of any private person, company or corporation to make out abstracts of title as provided by the general laws of this state.

(c) ~~Subd. 3.~~ [DUTIES AND FEES.] (1) (A) The records and indices in the office of county abstract clerk are public records, open to inspection, but only to the extent in this ~~subsection~~ section provided.

(B) *Subd. 4.* Each record, index, abstract, copy, plat, bookkeeping record, or paper of any type whatsoever, prepared in the office, is the property of the county for the use of the county abstract clerk and his successors in office, and, at the end of the term of an abstract clerk, shall be turned over to his successor in office.

(C) *Subd. 5.* The county abstract clerk shall permit, without fee and within reasonable business hours as not to interfere with the conduct of the work of the office, and under supervision to assure the safety of the records, inspection of the tract index as hereinafter defined, by a party interested in the ownership of a particular parcel of land, or his agent or attorney. There is no right on the part of anyone to make general or indiscriminate searches of the records or to copy a part thereof to make abstracts of title or abstract books or in any manner to deprive the abstract clerk of the fees provided by law for his official duties.

(D) *Subd. 6.* Whoever destroys, attempts to destroy, deface, or alter any record in the office of the county abstract clerk is guilty of a gross misdemeanor.

(E) (A) *Subd. 7.* The county abstract clerk shall maintain, current as of 8 o'clock a.m. each business day, abstract indices to the land of the county, including a tract and miscellaneous system of indices, correctly indexing each instrument filed of record in the office of the register of deeds in the county which in any manner affects the title to real property inside the county. He shall maintain currently correct as of each day, indices to all judgments in any court which are a lien on real property inside the county and all federal tax liens. He shall maintain the other and further abstract records and indices that the board of county commissioners of the county directs.

(B) *Subd. 8.* The county abstract clerk shall furnish, within ten days, upon demand of anyone and proffer of his fees, a complete, true and perfect abstract of title to a parcel of land in the county.

(C) *Subd. 9.* The county abstract clerk shall, without fee and within reasonable hours as not to interfere with the conduct of his office and under reasonable supervision to assure the safety of the public records, permit the use of records in the office by duly authorized representatives of other state, county, municipal or federal governmental agencies for public purposes.

(D) *Subd. 10.* The county abstract clerk shall furnish to anyone, within 48 hours of demand, and without fee, an oral report of the apparent ownership and apparent unsatisfied encumbrance as to a parcel of land inside the county, but he shall not be responsible under the bond herein required, for the correctness of a report furnished without fee.

(E) *Subd. 11.* The county abstract clerk shall not be required, without demand and proffer of fees as herein set forth, to furnish a report of personal judgments in a court against a person, firm or corporation.

(F) *Subd. 12.* The county abstract clerk and his deputies and employees shall not be permitted to practice law, or demand or receive a fee for an opinion as to the condition of the title to a parcel of real estate, save as to reports of the apparent record ownership, nor to prepare or execute papers incident to the transfer of title to real property or in any manner act as advisor or counsellor at law or as agent for the sale of real property or in any manner assume the function of lawyer, real estate broker or advisor.

(G) *Subd. 13.* The county abstract clerk may appoint a deputy county abstract clerk to act in his stead and behalf, and for whose acts the county abstract clerk is responsible.

(3) *Subd. 14.* The board of county commissioners in Ramsey county shall appoint each year a committee to inspect the records and the conduct of the office of the county abstract clerk, the committee to consist of an accountant representing the office of the county auditor, a representative of the county attorney's office and one member of the board, each of whom will serve without further compensation than provided by law for their respective positions. The committee shall inspect the records of the office of county abstract clerk at least once each year and report to the board of county commissioners on the fees collected, the public service rendered, the condition of the public records therein contained and the general conduct of the office. *The committee shall before January 1, 1982 complete a comprehensive audit of the records of the office of the abstract clerk for calendar years 1980 and 1981.* The county abstract clerk shall permit the committee to inspect each record of whatsoever nature having to do with his conduct of the office upon demand at any time.

(4) *Subd. 15.* The county abstract clerk ~~may~~ shall charge, collect and retain for ~~his own~~ the use of the county, fees for his services to which shall be set by the county board. ~~If the county board does not set the fees to be charged, the county abstract clerk may set the fees~~ *The county board shall also set the compensation of the abstract clerk, the deputy and employees and appropriately incorporate them into the Ramsey county civil service system.*

(5) *Subd. 16.* Before the county abstract clerk enters upon his duties, he shall give bond to the county, at county expense, in the penal sum of \$5,000, to be approved by the county board, conditioned that he will faithfully discharge the duties of his office, and shall give bond to the public, in the penal sum of \$10,000, at his own expense, to be approved by the county board, conditioned that he shall pay all damages suffered by anyone through any error deficiency in any abstract of title or registered property report issued by his office.

(6) *Subd. 17.* The board of county commissioners of Ramsey county shall fill each vacancy in the office of county abstract clerk, for whatever cause, by appointment. The person so appointed shall give the bond and take the oath required by law, and shall hold for the remainder of the unexpired term, and until his successor qualifies.

Subd. 18. *The office of county abstract clerk is an agency of Ramsey county for the purposes of the Ramsey county civil service statute and the public employment labor relations act and for all other purposes provided by law.*

Sec. 4. Laws 1980, Chapter 612, Section 3, is amended to read:

Sec. 3. [SAINT PAUL AND MINNEAPOLIS, ~~CITY~~ CITIES OF; EMPLOYMENT OF UNIVERSITY OR COLLEGE STUDENTS.]

Notwithstanding any contrary provision of the Saint Paul city charter and the Minneapolis city charter or, a statute, including the veterans preference act, or a civil service rule or regulation, the governing body or any board or commission of the city of Saint Paul and the city of Minneapolis having authority to hire employees may employ university, college, or professional school students pursuant to an intern or other training program related to their academic endeavors when the program is sponsored or substantially financed

by the state or the United States or by a philanthropic foundation or organization. Persons hired under a program shall be in the unclassified service of the city and serve at the pleasure of the body employing them. No full time appointment under this section shall exceed one year. Persons employed under this section shall be excluded from the provisions of Minnesota Statutes, Sections 268.03 to 268.24.

Sec. 5. Minnesota Statutes 1980, Section 15.50, Subdivision 6, is amended to read:

Subd. 6. (a) The city of Saint Paul shall have the power to convey without compensation therefor to the state any property owned by it within the boundaries of the capitol area pursuant to the plan adopted by the board; and the state shall have the authority to transfer to the city of Saint Paul without compensation any property acquired by it for the purposes of Laws 1969, Chapter 1150, which lies within the street lines of the streets to be established as a part of the city's portion of said plan.

(b) The tax-forfeited lands which are held by the state in trust for the several taxing subdivisions of the state and which are within the boundaries of the capitol area as fixed by the plan recommended to the governor by the governor's advisory committee or by the plan adopted by the board as provided in Laws 1969, Chapter 1150, shall not, *except as provided in this subdivision*, be subject to sale or repurchase under any act, now in effect or hereafter enacted unless it shall be expressly provided in such act that the provisions of Laws 1969, Chapter 1150, shall be superseded, modified or repealed.

The following procedure shall be used with respect to the tax-forfeited lands within the boundaries of the capitol area:

(1) *When the state gains custody of the tax-forfeited lands in the capitol area which are to be held in trust for taxing subdivisions of the state, the Ramsey county board of commissioners shall compile a list of these lands after the fee ownership has been recorded in the county recorder's office and submit the list to the board. The list shall include a property description of the tax-forfeited parcel and a listing of the buildings or structures thereon.*

(2) *Within 90 calendar days after receipt of the Ramsey county board of commissioners' list, the board, at its discretion, may: (i) direct the commissioner of revenue to release the tax-forfeited parcel from the trust for the taxing subdivision of the state, which action shall vest unencumbered title to the property in the name of the state; or (ii) authorize the parcel to be disposed of pursuant to chapter 282, provided that the parcel be thereafter utilized in accord with a portion or all of the standards, policies or guidelines in the board's comprehensive use plan.*

(3) *If the board fails to act within the prescribed 90-day period, the tax-forfeited parcel's disposition shall be governed by chapter 282.*

(4) *Unless and until the commissioner of revenue releases a tax-forfeited parcel from the trust for the taxing subdivision and during the aforementioned 90-day waiting period, the Ramsey county board of commissioners is authorized to maintain the parcel to minimize risks to persons and property contiguous to the parcel. If the parcel is conveyed from the trust to the state, the commissioner of administration shall assume these maintenance responsibilities.*

(d) The commissioner of revenue shall ~~have power~~, upon application by the board ~~to~~, release any lands referred to in clause (b) from the trust in favor of the taxing subdivisions of the state. Upon the execution of such release, the commissioner shall certify the fact of such release to the county auditor of Ramsey county. The forms of such release and certificate shall be prescribed by the attorney general.

(e) Neither any member of the board, nor any person employed or retained by the board shall have any financial interest, direct or indirect, in any business enterprise or activity, or in the construction or maintenance of facilities for such enterprise or activity, within the capitol area for which approval of the board is in any way required by law. Any person violating the provisions of this paragraph shall be guilty of a gross misdemeanor.

Sec. 6. Minnesota Statutes 1980, Section 140.21, is amended to read:

140.21 [LIBRARY FEE.]

Subdivision 1. The clerk of the district court of the second judicial district *and the clerk of the probate court of the second judicial district* shall collect a law library fee from each plaintiff and person commencing a civil action in district court *or commencing a proceeding in probate court*, at the time of the filing of the first paper and in the manner in which other fees are collected and in addition thereto, and shall collect a law library fee from each defendant and each other adverse or intervening party, when his appearance is entered in the action or when the first paper on his part is filed.

Subd. 2. The law library trustees shall, with the approval of the Ramsey county board of commissioners, set the amount of the library fee.

Subd. 3. The law library fee is a cost in the action and taxable as such, and is to be allotted for the support of the library.

Sec. 7. Minnesota Statutes 1980, Section 488A.20, Subdivision 4, is amended to read:

Subd. 4. [DISPOSITION OF FINES, FEES AND OTHER MONEYS; ACCOUNTS.] (a) Except as otherwise provided herein and except as otherwise provided by law, the administrator shall pay to the Ramsey county treasurer all fines and penalties collected by him, all fees collected by him for services of himself, all sums forfeited to the court as hereinafter provided, and all other moneys received by the administrator.

(b) The administrator of court shall for each fine or penalty, provide the county treasurer with the name of the municipality or other subdivision of government where the offense was committed and the total amount of the fines or penalties collected for each such municipality or other subdivision of government.

(c) The state of Minnesota and any governmental subdivision within the jurisdictional area of the municipal court herein established may present cases for hearing before said municipal court. In the event ~~that~~ the court takes jurisdiction of a prosecution for the violation of a statute or ordinance by *the state or a governmental subdivision other than a city or town in Ramsey county*, all fines, penalties and forfeitures collected shall be paid over to the county treasurer except where a different disposition is provided by law, *and the following fees shall be taxed to the state or governmental subdivision other*

than a city or town within Ramsey County which would be entitled to payment of the fines, forfeitures or penalties in any case, and shall be paid to the administrator of the court for disposing of the matter. The administrator shall deduct the fees from any fine collected for the state of Minnesota or a governmental subdivision other than a city or town within Ramsey County and transmit the balance in accordance with the law, and the deduction of the total of the fees each month from the total of all the fines collected is hereby expressly made an appropriation of funds for payment of the fees:

(1) In all cases where the defendant is brought into court and pleads guilty and is sentenced, or the matter is otherwise disposed of without a trial.....\$5

(2) In arraignments where the defendant waives a preliminary examination.....\$10

(3) In all other cases where the defendant stands trial or has a preliminary examination by the court.....\$15

(4) The court shall have the authority to waive the collection of fees in any particular case.

(d) At the beginning of the first day of any month, the amount in the hands of the administrator which is owing to any municipality or county shall not exceed \$5,000.

(e) On or before the last day of each month, the county treasurer shall pay over to the treasurer of each municipality or subdivision of government in Ramsey county one-half of all fines or penalties collected during the previous month from those imposed for offenses committed within such municipality or subdivision of government in violation of a statute, an ordinance, charter provision, rule or regulation of a city. All other fines and forfeitures and all fees and costs collected by the county municipal court shall be paid to the treasurer of Ramsey county who shall dispense the same as provided by law.

(f) Amounts represented by checks issued by the administrator or received by the administrator which have not cleared by the end of the month may be shown on the monthly account as having been paid or received, subject to adjustment on later monthly accounts.

(g) The administrator may receive negotiable instruments in payment of fines, penalties, fees, or other obligations as conditional payments, and is not held accountable therefor but if collection in cash is made and then only to the extent of the net collection after deduction of the necessary expense of collection.

Sec. 8. Minnesota Statutes 1980, Section 488A.23, Subdivision 6, is amended to read:

Subd. 6. [EXEMPTIONS FROM FEES; NO TRIAL FEES.] No filing fees, trial fees or fees for other services are payable by the ~~state, county or city~~.

Sec. 9. Minnesota Statutes 1980, Section 488A.30, Subdivision 1, is amended to read:

Subdivision 1. [JUDGES.] (a) The judges of the municipal court shall serve as judges of the conciliation court for such periods and in such rotation as the judges may determine. While so serving they shall act and be known as conciliation judges.

(b) The municipal judge who conducts the conciliation court hearing shall act upon any applications to vacate a judgment or an order for judgment whatever the grounds may be and shall sign the certificate upon a removed cause, but any other municipal judge may act upon such an application or sign such a certificate in the event that the judge who conducted the hearing has not previously denied the application and cannot act upon the application promptly or sign the certificate due to expiration of his term, death, disability, absence from the courthouse or any other cause.

(c) A majority of the judges of the municipal court may appoint attorneys to act as referees in conciliation court. A majority of the judges of the municipal court shall establish qualifications for the office, specify the duties and length of service of such referees, ~~and. The board of Ramsey county commissioners is authorized to fix the compensation not to of such referees. The compensation shall not exceed \$50 \$75 per day or any part thereof.~~ This compensation is payable out of the county treasury at the same time and in the same manner as salaries of the judges of conciliation court.

Sec. 10. Minnesota Statutes 1980, Section 488A.31, Subdivision 1, is amended to read:

Subdivision 1. [FILING FEE.] An action is commenced against each defendant when the complaint is filed with the administrator of conciliation court and a filing fee of ~~\$3~~ *set by the board of Ramsey County commissioners* is paid to the administrator or the prescribed affidavit in lieu of filing fee is filed. *No filing fee is payable by the county.*

Sec. 11. Minnesota Statutes 1980, Section 488A.31, Subdivision 5, is amended to read:

Subd. 5. [COUNTERCLAIM.] (a) The defendant may interpose as a counterclaim any claim within the jurisdiction of the court which he has against the plaintiff whether or not arising out of the transaction or occurrence which is the subject matter of the plaintiff's claim.

(b) The counterclaim shall be interposed by filing with the administrator a brief statement of the amount, date of accrual and nature of the counterclaim, verified by the defendant, his attorney or agent, and paying a ~~filing fee of \$3~~ *the filing fee set by the board of Ramsey County commissioners* to the administrator. The administrator shall draw up the counterclaim on request. *No filing fee is payable by the county.*

(c) The administrator shall note the filing of the counterclaim on the original claim, promptly notify the plaintiff by mail of the filing and set the counterclaim for hearing on the same date as the original claim.

(d) The counterclaim shall be filed not less than five days before the date set for court hearing. The judge, in his discretion, may thereafter allow the filing of a written or oral counterclaim before or after hearing the merits of the claim and counterclaim. The judge, in his discretion, may require the payment of absolute or conditional costs up to ~~\$25~~ *\$50* by the defendant to the plaintiff as a condition of allowing late filing in the event that a continuance is requested by the plaintiff and is granted because of such late filing.

(e) If the defendant has a counterclaim which exceeds the jurisdiction of the court and the defendant files an affidavit by himself, his attorney or agent with

the administrator not less than five days before the date set for court hearing showing that he has filed with the administrator of a specified other court of competent jurisdiction a complaint seeking recovery from the plaintiff on the counterclaim and stating the nature and amount thereof, the administrator shall strike the action from the calendar and so advise the plaintiff by mail. If the plaintiff not less than 30 days nor more than three years after the filing of such an affidavit shall file an affidavit showing that he has not been served with a summons in the other action or that the other action has been finally determined, the administrator shall again set the cause for court hearing and summon the defendant in the same manner as for the initial hearing and the court shall proceed to hear and determine plaintiff's claim. If no such counter-affidavit is filed by plaintiff within three years, his original claim is dismissed without prejudice without any further action by the administrator or any judge. Prior to the expiration of this three year period the plaintiff's original claim may be dismissed by plaintiff or by court order at a hearing upon motion of the defendant.

Sec. 12. Minnesota Statutes 1980, Section 488A.33, Subdivision 5, is amended to read:

Subd. 5. [VACATION OF ORDER FOR JUDGMENT WITHIN ~~TEN~~ 20 DAYS.] When a default judgment or a judgment of dismissal on the merits has been ordered for failure to appear, the judge, within ~~ten~~ 20 days after notice thereof was mailed, may vacate the order for judgment ex parte and grant a new hearing, if the defaulting party shows lack of notice, mistake, inadvertence, or excusable neglect as the cause of his failure to appear. Absolute or conditional costs not exceeding \$25 \$50 to the other party may be ordered as a prerequisite to that relief. The administrator shall notify the other party by mail of the new hearing date.

Sec. 13. Minnesota Statutes 1980, Section 488A.33, Subdivision 8, is amended to read:

Subd. 8. [VACATION OF JUDGMENT AFTER ~~TEN~~ 20 DAYS.] When a defendant shows that he did not receive a summons before the hearing within sufficient time to permit a defense and that he did not receive notice of the order for default judgment within sufficient time to permit him to make application for relief within ~~ten~~ 20 days or shows other good cause, a judge may vacate a default judgment after notice to the plaintiff and grant a new hearing on the merits with or without payment of absolute or conditional costs. The administrator shall notify the parties by mail of the new hearing date.

Sec. 14. Minnesota Statutes 1980, Section 488A.34, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be so removed unless all the following acts are performed by the aggrieved party within ~~ten~~ 20 days after the date the administrator mailed to him notice of the order for judgment:

(a) Serve on the opposing party or his attorney a demand for removal of the cause to the municipal court for trial de novo stating whether trial by a jury of six persons or by the court without a jury is demanded. Service shall be made upon a party in accordance with the provisions for personal service of a summons in the municipal court or shall be made upon the party's attorney in

accordance with the provisions for service of a notice of motion upon an attorney in the municipal court. The demand shall show the office address of the attorney for each party and the residence address of each party who does not have an attorney.

(b) File with the administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand be made within the ~~ten-day~~ 20 day period, the aggrieved party may file with the administrator within the ~~ten-day~~ 20 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found and the filing of this affidavit shall serve in lieu of making service and filing proof of service. When such an affidavit is filed, the administrator shall mail the copy of the demand to the opposing party at his last known address.

(c) File with the administrator of conciliation court an affidavit by the aggrieved party or his attorney stating that the removal is made in good faith and not for the purpose of delay.

(d) Pay to the administrator of conciliation court \$6 the fee set by the board of Ramsey County commissioners when the demand is for trial by court, plus \$6 additional when the demand is for trial by a jury of six. The above fee is not payable by the county.

Sec. 15. [EFFECTIVE DATES.]

(a) Sections 1 and 5 are effective the day following final enactment.

(b) Section 2 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the governing body of Ramsey County.

(c) Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Section 3 is effective January 1, 1982 without local approval.

(d) Section 4 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the governing body of the city of Minneapolis."

Delete the title and insert:

"A bill for an act relating to state and local government; providing for the appointment of additional members to the Ramsey County civil service commission; establishing an additional principal assistant position in the unclassified service for the Ramsey County Sheriff's Office; designating the office of county abstract clerk as an agency of Ramsey County; regulating the clerk's salary; providing for the employment of university or college students in the city of Minneapolis; providing for the disposition of tax-forfeited property within the capitol area; authorizing the clerk of probate court in the second district to collect a certain library fee; requiring fees to be taxed to the state and certain other government subdivisions in certain criminal prosecutions; requiring the state and the city of St. Paul to pay fees in civil actions; providing for compensation for Ramsey County conciliation court referees; amending Minnesota Statutes 1980, Sections 15.50, Subdivision 6; 140.21; 488A.20, Subdivision 4; 488A.23, Subdivision 6; 488A.30, Subdivision 1; 488A.31, Subdivisions 1 and 5; 488A.33, Subdivisions 5 and 8; 488A.34, Subdivision 2; Laws 1980, Chapter 612, Section 3; Laws 1974; Chapter 435, Sections

3.02, Subdivisions 2 and 6, as amended; and 3.11.”

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

House Conferees: (Signed) Thomas J. Harens, Richard J. Kostohryz, John Drew

Senate Conferees: (Signed) Peter P. Stumpf, Gerald L. Willet, Timothy J. Penny

Mr. Stumpf moved that the foregoing recommendations and Conference Committee Report on H. F. No. 487 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. 487 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 4, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Knutson	Moe, R. D.	Spear
Benson	Engler	Kroening	Nelson	Stern
Berg	Frank	Kronebusch	Penny	Stokowski
Berglin	Frederick	Langseth	Peterson, R. W.	Stumpf
Bernhagen	Frederickson	Lantry	Petty	Taylor
Bertram	Hanson	Lessard	Ramstad	Tennessen
Brataas	Hughes	Lindgren	Renneke	Vega
Davies	Humphrey	Luther	Schmitz	Waldorf
Davis	Kamrath	Merriam	Sieloff	Wegener
Dicklich	Knoll	Moe, D. M.	Sikorski	

Messrs. Olhofft; Peterson, D.L.; Pillsbury and Rued 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. 936, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 936 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 16, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 936

A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Sub-

divisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

May 13, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 936, 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. 936 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 90.031, Subdivision 4, is amended to read:

Subd. 4. The executive council may formulate and establish, from time to time, ~~such rules and regulations~~ as it deems advisable for the transaction of timber business of the state, *including approval of the sale of timber on any tract in a lot exceeding \$20,000 when the sale is in the best interests of the state, and may abrogate, modify, or suspend such rules and regulations at its pleasure.*

Sec. 2. Minnesota Statutes 1980, Section 90.041, is amended by adding a subdivision to read:

Subd. 4. In May of each year, the commissioner shall hold a public meeting in each forest area to inform the public of the manner in which the cutting list for that area for the next fiscal year is proposed to be allocated between informal, intermediate and regular auction sales. The public shall be afforded an opportunity to provide written and oral comments concerning the proposed allocation.

Sec. 3. Minnesota Statutes 1980, Section 90.101, Subdivision 1, is amended to read:

Subdivision 1. The commissioner may sell the timber on any tract of state land in lots not exceeding ~~\$7,500~~ \$20,000 in appraised value and may determine the number of sections or fractional sections of land to be covered by any one permit issued to the purchaser of timber on state lands, or in any one contract or other instrument relating thereto. No timber shall be sold, except to the highest bidder at public auction, and the minimum price shall be the appraised value as fixed by the report of the state appraiser. All sales shall be held in the county in which the tract is located and no sale shall be held in more than one location on any one day.

Sec. 4. [90.121] [INTERMEDIATE AUCTION SALES; MAXIMUM LOTS OF \$7,000.]

The commissioner may sell the timber on any tract of state land in lots not exceeding \$7,000 in appraised value, in the same manner as timber sold at public auction under section 90.101, and related laws, subject to the following

special exceptions and limitations:

(1) sales shall be at the forest office or other public facility most accessible to potential bidders or close to where the tract is located;

(2) the commissioner's list describing the tract, quantity of timber, and appraised price shall be compiled not less than 30 days before the date of sale and a copy of the list posted not less than 30 days before the date of the sale;

(3) notice of the sale shall be published once, not less than one week before the date of the sale;

(4) no bidder may be awarded more than 25 percent of the total tracts offered at the first round of bidding unless fewer than four tracts are offered, in which case not more than one tract shall be awarded to one bidder. Any tract not sold shall be available for a period of 90 days for purchase by persons eligible under this section at the appraised value;

(5) the bond or deposit required pursuant to section 90.161 or 90.173 shall be given or deposited before any cutting begins or not later than nine months after the date of sale, whichever is earlier;

(6) in lieu of the placing of the marks M I N on cut products as prescribed under section 90.151, subdivision 2, all landings of cut products shall be legibly marked with the name of the permit holder and the assigned permit number;

(7) no person may hold more than four permits issued under this section and no sale may be made to a person holding four permits which are still in effect or to a person having more than 20 employees;

(8) the permit may not exceed one year in duration;

(9) if the purchaser for good and sufficient reason is unable to cut the timber within the one year permit period, the commissioner may grant one extension for a period of up to one year from the date of expiration of the original permit without interest, and one additional extension of one year with interest;

(10) if all cut timber, equipment, and buildings, are not removed at the end of any 120 day extension period which the commissioner may grant for removal, the commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of a request by the permit holder for hardship reasons only.

The auction sale procedure set forth in this section constitutes an additional alternative timber sale procedure available to the commissioner and is not intended to replace other authority possessed by the commissioner to sell timber in lots of \$7,000 or less.

Sec. 5. Minnesota Statutes 1980, Section 90.151, Subdivision 11, is amended to read:

Subd. 11. Except as authorized under section 90.191, any permit ~~falling~~ which fails to conform to the requirements of this section or, in the case of a permit issued under section 4, which fails to conform to the requirements of section 4, shall be void ~~on its face~~.

Sec. 6. Minnesota Statutes 1980, Section 90.151, Subdivision 13, is amended to read:

Subd. 13. The commissioner may grant extensions of timber permits and contracts, ~~whether issued before or after July 1, 1967,~~ for ~~such~~ periods as the commissioner deems advisable, provided that (1) for permits issued on or after May 15, 1975 the total of ~~such the~~ extensions shall not exceed three years from the date of the expiration of the original permit, and (2) for permits issued prior to May 15, 1975 the total of ~~such the~~ extensions and the original permit term shall not exceed ten years from date of issuance of the permit. All extensions granted pursuant to this subdivision shall be subject to all the provisions of this chapter. The commissioner shall include in each extension a condition that the purchaser shall pay to the state interest at the rate of ~~six~~ eight percent of the unpaid purchase price for each year of ~~such~~ extension or portion thereof to the date of the seasonal scale report of products cut as computed on the sale price of the timber cut, or if not cut, upon the official estimate thereof; however, the purchaser is not required to pay interest totaling \$1 or less.

Sec. 7. Minnesota Statutes 1980, Section 90.161, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by law the purchaser of any state timber, before any timber permit to him shall become effective for any purpose, shall within 90 days from the date of purchase give a good and valid bond to the state of Minnesota equal to the value of all timber covered or to be covered by the permit, as shown by the sale price bid therefor and the appraisal report thereof as to quantity, *less the amount of any payment pursuant to section 90.14,* which bond shall be conditioned upon the faithful performance by the purchaser and his successors in interest of all the terms and conditions of the permit and all requirements of law in respect to such sales; and the bond shall be approved in writing by the commissioner and filed for record in his office.

Sec. 8. Minnesota Statutes 1980, Section 90.173, is amended to read:

90.173 [PURCHASER'S OR ASSIGNEE'S CASH DEPOSIT IN LIEU OF BOND.]

In lieu of filing the bond required by section 90.161 or 90.171, as security for the issuance or assignment of a timber permit the person required to file ~~such the~~ bond may deposit with the state treasurer cash, a certified check, or a cashier's check, *a postal, bank, or express money order, assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit,* in the same amount as would be required for a bond. *If securities listed in this section are deposited, the par value of the securities shall be not less than the amount required for the timber sale bond, and the person required to file the timber sale bond shall submit an agreement authorizing the commissioner to sell or otherwise take possession of the security in the event of default under the timber sale.* All of the conditions of the timber sale bond shall equally apply to ~~such the~~ deposit with the state treasurer. In the event of a default the state may take from ~~such the~~ deposit the sum of money to which it is entitled; the remainder, if any, shall be returned to the person making ~~such the~~ deposit *and shall bear interest at the rate determined pursuant to section 549.09 if not returned within 30 days from the date of the default.* ~~Such~~ Sums of money as may be required by the state treasurer to carry out the terms and provisions of this section are hereby appropriated from the general fund to the state treasurer for ~~such these~~

purposes. When cash is deposited for a bond, it shall be applied to the amount due when a statement is prepared and transmitted to the permit holder pursuant to section 90.181. Any balance due to the state shall be shown on the statement and shall be paid as provided in section 90.181. Any amount of the deposit in excess of the amount determined to be due pursuant to section 90.181 shall be returned to the permit holder when a final statement is transmitted pursuant to that section. All or part of a cash bond may be withheld from application to an amount due on a non-final statement if it appears that the total amount due on the permit will exceed the bid price.

Sec. 9. Minnesota Statutes 1980, Section 90.181, Subdivision 2, is amended to read:

Subd. 2. [DEFERRED PAYMENTS.] If the amount of the statement is not paid within 30 days of the date thereof, it shall bear interest at the rate of ~~six~~ **percent per annum from date determined pursuant to section 549.09**, except that the purchaser shall not be required to pay ~~such~~ interest that totals \$1 or less. If the amount is not paid within 60 days, the commissioner shall place the account in the hands of the attorney general who shall proceed to collect the same. When *deemed in the best interests of the state*, the commissioner shall ~~deem it for the best interest of the state he shall~~ take possession of the timber for which ~~such an~~ amount is due wherever it may be found and sell the same informally or at public auction after giving ~~such notice as he deems~~ reasonable notice. The proceeds of ~~such the~~ sale shall be applied, first, to the payment of the expenses of seizure and sale; and, second, to the payment of the amount due for ~~such the~~ timber, with interest; and the surplus, if any, shall belong to the state; and, in case a sufficient amount is not realized to pay ~~such these~~ amounts in full, the balance shall be collected by the attorney general. Neither payment of ~~such the~~ amount, nor the recovery of judgment therefor, nor satisfaction of ~~such the~~ judgment, nor the seizure and sale of ~~such~~ timber, shall release the sureties on any bond given pursuant to this chapter, or preclude the state from afterwards claiming that ~~such the~~ timber was cut or removed contrary to law and recovering damages for the trespass thereby committed, or from prosecuting the offender criminally.

Sec. 10. Minnesota Statutes 1980, Section 90.191, Subdivision 1, is amended to read:

Subdivision 1. The commissioner may sell the timber on any tract of state land in lots not exceeding ~~\$1,500~~ \$3,000 in appraised value, without formalities but for not less than the full appraised value thereof, to any **individual person**. No sale shall be made under this section to any person holding two permits issued hereunder which are still in effect; *except that (1) a partnership as defined in chapter 323, which may include spouses but which shall provide evidence that a partnership exists, may be holding two permits for each of not more than three partners who are actively engaged in the business of logging or who are the spouses of persons who are actively engaged in the business of logging with that partnership; and (2) a corporation, a majority of whose shares and voting power are owned by natural persons related to each other within the fourth degree of kindred according to the rules of the civil law or their spouses or estates, may be holding two permits for each of not more than three shareholders who are actively engaged in the business of logging or who are the spouses of persons who are actively engaged in the business of logging with that corporation.*

Sec. 11. [EXTENSION OF CERTAIN TIMBER PERMITS.]

The commissioner of natural resources may extend for an additional period of not to exceed one year any timber permit issued pursuant to Minnesota Statutes, Section 90.191, which expires during 1981. This extension shall be in addition to any extension previously granted pursuant to section 90.191; shall be made without additional charge, and shall otherwise be subject to the requirements of section 90.191.

Sec. 12. Minnesota Statutes 1980, Section 282.04, Subdivision 1, is amended to read:

Subdivision 1. [TIMBER SOLD FOR CASH.] The county auditor may sell dead, down and mature timber upon any tract that may be approved by the natural resources commissioner. Such sale of timber products shall be made for cash at not less than the appraised value determined by the county board to the highest bidder after not less than one week's published notice in an official paper within the county. Any timber offered at such public sale and not sold may thereafter be sold at private sale by the county auditor at not less than the appraised value thereof, until such time as the county board may withdraw such timber from sale. The appraised value of the timber and the forestry practices to be followed in the cutting of said timber shall be approved by the commissioner of natural resources. Payment of the full sale price of all timber sold on tax-forfeited lands shall be made in cash at the time of the timber sale. The county board may require final settlement on the basis of a scale of cut products. Any parcels of land from which timber is to be sold by scale of cut products shall be so designated in the published notice of sale above mentioned, in which case the notice shall contain a description of such parcels, a statement of the estimated quantity of each species of timber thereon and the appraised price of each specie of timber for 1,000 feet, per cord or per piece, as the case may be. In such cases any bids offered over and above the appraised prices shall be by percentage, the percent bid to be added to the appraised price of each of the different species of timber advertised on the land. The purchaser of timber from such parcels shall pay in cash at the time of sale at the rate bid for all of the timber shown in the notice of sale as estimated to be standing on the land, and in addition shall pay at the same rate for any additional amounts which the final scale shows to have been cut or was available for cutting on the land at the time of sale under the terms of such sale. Where the final scale of cut products shows that less timber was cut or was available for cutting under terms of such sale than was originally paid for, the excess payment shall be refunded from the forfeited tax sale fund upon the claim of the purchaser, to be audited and allowed by the county board as in case of other claims against the county. No timber, except hardwood pulpwood, may be removed from such parcels of land or other designated landings until scaled by a person or persons designated by the county board and approved by the commissioner of natural resources. Landings other than the parcel of land from which timber is cut may be designated for scaling by the county board by written agreement with the purchaser of the timber. The county board may, by written agreement with the purchaser and with a consumer designated by him when the timber is sold by the county auditor, and with the approval of the commissioner of natural resources, accept the consumer's scale of cut products delivered at the consumer's landing. No timber shall be removed until fully paid for in cash. Small amounts of green standing, dead, down, dying, insect infected or diseased

timber not exceeding ~~\$1,500~~ \$3,000 in appraised valuation may be sold for not less than the full appraised value at private sale to individual persons without first publishing notice of sale or calling for bids, provided that in case of such sale involving a total appraised value of more than \$200 the sale shall be made subject to final settlement on the basis of a scale of cut products in the manner above provided and not more than two such sales, directly or indirectly to any individual shall be in effect at one time. As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations or organized subdivisions of the state at public or private vendue, and at such prices and under such terms as the county board may prescribe, for use as cottage and camp sites and for agricultural purposes and for the purpose of taking and removing of hay, stumpage, sand, gravel, clay, rock, marl, and black dirt therefrom, and for garden sites and other temporary uses provided that no leases shall be for a period to exceed ten years; provided, further that any leases involving a consideration of more than \$300 per year, except to an organized subdivision of the state shall first be offered at public sale in the manner provided herein for sale of timber. Upon the sale of any such leased land, it shall remain subject to the lease for not to exceed one year from the beginning of the term of the lease. Any rent paid by the lessee for the portion of the term cut off by such cancellation shall be refunded from the forfeited tax sale fund upon the claim of the lessee, to be audited and allowed by the county board as in case of other claims against the county. The county auditor, with the approval of the county board is authorized to grant permits, licenses, and leases to tax-forfeited lands for the depositing of stripping, lean ores, tailings, or waste products from mines or ore milling plants, upon such conditions and for such consideration and for such period of time, not exceeding 15 years, as the county board may determine; said permits, licenses, or leases to be subject to approval by the commissioner of natural resources. Any person who removes any timber from tax-forfeited land before said timber has been scaled and fully paid for as provided in this subdivision is guilty of a misdemeanor. The county auditor may, with the approval of the county board and the commissioner of natural resources, and without first offering at public sale, grant leases, for a term not exceeding 25 years, for the removal of peat from tax-forfeited lands upon such terms and conditions as the county board may prescribe.

Provided, however, that no lease for the removal of peat shall be made by the county auditor pursuant to this section without first holding a public hearing on his intention to lease. One printed notice in a legal newspaper in the county at least ten days before the hearing, and posted notice in the courthouse at least 20 days before the hearing shall be given of the hearing.

Sec. 13. [MEETINGS IN 1981.]

Notwithstanding any contrary provision in section 2, in 1981 the meetings required by that section shall be held not later than July 1, 1981.

Sec. 14. [EFFECTIVE DATE.]

Sections 2, 11 and 13 are effective the day following final enactment. The remaining sections of this act are effective August 1, 1981.

Delete the title and insert:

“A bill for an act relating to natural resources; raising limitations on values

of state timber which may be sold at public auction or informal sale; providing for intermediate auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; permitting extension of certain timber permits; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.041, by adding a subdivision; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.161, Subdivision 1; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90."

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

House Conferees: (Signed) Arlene I. Lehto, Willard M. Munger, Myron E. Nysether

Senate Conferees: (Signed) Marv Hanson, Bob Lessard, Gerald L. Willet

Mr. Hanson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 936 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. 936 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:

Bang	Dieterich	Langseth	Peterson, D.L.	Spear
Benson	Engler	Lantry	Peterson, R.W.	Stern
Berg	Frank	Lessard	Petty	Stokowski
Berglin	Frederickson	Lindgren	Pillsbury	Stumpf
Bernhagen	Hanson	Luther	Ramstad	Taylor
Bertram	Hughes	Merriam	Renneke	Tennessee
Brataas	Humphrey	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Schmitz	Waldorf
Davies	Knutson	Nelson	Setzepfandt	Wegener
Davis	Kroening	Olhoff	Sieloff	
Dicklich	Kronebusch	Penny	Sikorski	

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. Moe, R.D. moved that the Senate proceed to the Order of Business of Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

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

H. F. No. 1132: A bill for an act relating to the revenue recapture act; expanding the definition of claimant agencies to include counties and state district courts; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivisions 2 and 5.

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

follows:

Page 1, after line 8, insert:

“Section 1. [STATE GOVERNMENT: 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 “1982”, and “1983”, wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

	1982	1983	TOTAL
General	\$38,694,520	\$59,192,400	\$97,886,920
		APPROPRIATIONS	
		Available for the Year	
		Ending June 30	
		1982	1983

Sec. 2. EDUCATION AIDS

Subdivision 1. Foundation Aid \$16,100,000 \$19,715,500

The appropriation for the first year is for aid for fiscal year 1982 payable in fiscal year 1982. The appropriation for the second year includes \$1,800,000 for aid for fiscal year 1982 payable in fiscal year 1983, and \$17,917,500 for aid for fiscal year 1983 payable in fiscal year 1983. These amounts are added to the amounts appropriated for foundation aid in the law enacted at the 1981 regular session styled as House File No. 70.

Subd. 2. Summer School 162,000

This appropriation is for 1982 summer school programs and shall be added to the amount appropriated for 1982 summer school programs in the law enacted at the 1981 regular session styled as House File No. 70.

Subd. 3. Special Education Aid 6,509,520 7,399,900

The appropriation for the first year is for aid for fiscal year 1982 payable in fiscal year 1982. The appropriation for the second year includes \$723,280 for aid for fiscal year 1982 payable in fiscal year 1983, and \$6,676,620 for aid for fiscal year 1983 payable in fiscal year 1983. These appropriations are added to the amounts appropriated for special education aid in the law enacted at the 1981 regular session styled as House File No. 70.

Sec. 3. HIGHER EDUCATION
COORDINATING BOARD 5,435,000 3,565,000

	1982	1983
	\$	\$
\$3,685,000 the first year and \$1,815,000 the second year is for scholarships and grants-in-aid, and \$1,750,000 the first year and \$1,750,000 the second year is for private college contracts.		

Sec. 4. PUBLIC WELFARE

Medical Assistance for Nursing		
Home Residents and Others	10,650,000	28,350,000

This appropriation shall be added to the amounts appropriated for medical assistance in the law enacted at the 1981 regular session styled as House File No. 1446, Section 2, Subdivision 4, and is for the purpose of providing for reserved bed days for residents of long term care facilities; paying for restorative and maintenance therapy; increasing the amount of liquid assets that the spouse of a person residing in a nursing home may retain; establishing a drug formulary; increasing the amount of money available in fiscal year 1983 for paying the costs of care of elderly residents of nursing homes; changing the base year for vendor reimbursements from the 50th percentile of 1978 usual and customary fees to the 50th percentile of 1980 usual and customary fees; and changing the percentage increase on limits for payments to medical assistance vendors from 8 percent in the first year to 10 percent in each year of the biennium.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 5. A law enacted at the 1981 regular session styled as House File No. 70, as added in Article I, Section 21, Subdivision 1, is amended as follows:

Sec. 21. [124.2122] [BASIC FOUNDATION AID.]

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be ~~\$1,348~~ \$1,338 for 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year. The formula allowance shall be ~~\$1,400~~ \$1,422 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 6. Minnesota Statutes 1980, Section 124.32, Subdivision 1, as amended by a law enacted at the 1981 regular session styled as House File No. 70, Article III, Section 11, is amended to read:

124.32 [HANDICAPPED CHILDREN.]

Subdivision 1. (a) ~~For the 1981-1982 and 1982-1983 school years,~~ The state shall pay to any district for the employment in its educational program for

handicapped children 65 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

(b) ~~Beginning in the 1983-1984 school year and each year thereafter, the state shall pay to any district for the employment in its educational program for handicapped children 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.~~

Sec. 7. Minnesota Statutes 1980, Section 256B.02, Subdivision 8, as amended by a law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 26, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

- (1) Inpatient hospital services.
- (2) Skilled nursing home services and services of intermediate care facilities. Payment shall be made only for days on which the eligible individual is in the nursing home or facility.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) ~~No payments shall be made pursuant to this chapter directly to physical therapists, occupational therapists, speech pathologists and audiologists. Prescribed restorative therapy and specialized maintenance therapy which must be provided by physical therapists, occupational therapists, speech pathologists and audiologists in a nursing home, boarding care home or supervised living facility shall be included in the per diem rate of the facility. Specialized maintenance therapy which must be provided by a therapist shall not include ambulation, passive range of motion, transfer and activities of daily living, and teaching and follow-up which are considered nursing care services. Payments to medicare-certified rehabilitation agencies shall be limited to payments for physician services and prescribed restorative therapy provided by physical therapists, occupational therapists, speech pathologists and audiologists. Physical therapy and related services.~~
- (8) Dental services, excluding cast metal restorations.
- (9) Laboratory and x-ray services.
- (10) The following if prescribed by a licensed practitioner: drugs, eye-glasses, dentures, and prosthetic devices. ~~The commissioner shall prescribe a drug formulary. Payments for prescribed drugs shall be limited as follows, unless prior authorization for exceptions is received from the commissioner: (a) One prescription per maintenance drug per month; and (b) Three prescriptions per month per recipient. "Drug formulary" means the list of drugs approved by the commissioner upon the advice of the drug formulary committee that are reimbursable under the state medical assistance program. Prom-~~

ulation and publication of the formulary shall be exempt from the requirements of chapter 15. The formulary shall not include: (a) Drugs lacking FDA approval for safety and efficacy; (b) Over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under age 7; (c) Nutritional products; (d) Anorectics; and (e) Drugs for which medical value has not been established. The drug formulary committee shall review all drugs and advise the commissioner as to their inclusion or exclusion from the drug formulary. The formulary committee shall be comprised of one representative each of: the university of Minnesota's school of dentistry, school of medicine and college of pharmacy; the Minnesota medical association; the Minnesota state pharmaceutical association; the department of health, and the department of public welfare. The commissioner or his agent shall serve as secretary to the committee. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall not be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of public welfare; and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two year terms and shall serve without compensation. Promulgation of the formulary shall be consistent with the requirements of section 15.0412, subdivision 5.

(11) Diagnostic, screening, and preventive services.

(12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) Transportation costs incurred solely for obtaining emergency medical

care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.

(15) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.

(16) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

Sec. 8. Minnesota Statutes 1980, Section 256B.03, as amended by a law enacted in the 1981 regular session styled as House File No. 1446, Article II, Section 27, is amended to read:

256B.03 [PAYMENTS TO VENDORS.]

Subdivision 1. [GENERAL LIMIT.] All payments for medical assistance hereunder must be made to the vendor.

Subd. 2. [LIMIT ON ANNUAL INCREASE TO LONG-TERM CARE PROVIDERS.] Notwithstanding the provisions of sections 256B.42 to 256B.48, a law enacted in the 1981 regular session styled as House File No. 1446, Article II, Section 2, and rules promulgated under those sections, rates paid to a skilled nursing facility or an intermediate care facility, including boarding care facilities and supervised living facilities, except state owned and operated facilities, for the first rate year years beginning during the biennium ending June 30, 1983, shall not exceed by more than eight ten percent the final rate allowed to the facility for the preceding rate year.

Notwithstanding provisions of Minnesota Statutes, Section 256B.45, Subdivision 1, the commissioner shall not increase the percentage for investment allowances.

Sec. 9. Minnesota Statutes 1980, Section 256B.06, Subdivision 1, as amended by a law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 28, is amended to read:

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 own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship; and

(8) Who individually does not own more than \$2,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$4,000 in cash or liquid assets, plus \$200 for each additional legal dependent; ~~except that~~. *When only one spouse resides, or will reside after applying for medical assistance, in a nursing home, or is receiving or will receive alternative care under the alternative care grants program in a county with preadmission screening under section 256B.091, the cash or liquid asset amount for two family members is \$10,000.* The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to Minnesota Statutes, Chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, Subdivision 1e; and

(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 (husband 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 computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall disregard increases in income of social security or supplementary security income recipients due solely to increases required by sections 215(i) and 1617 of the social security act, and shall disregard income of disabled persons that is also disregarded in determining eligibility for supplemental aid under section 256D.37, subdivision 1, unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

(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, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by either spouse when one spouse is a nursing home resident; and

(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. 10. Minnesota Statutes 1980, Section 256B.08, is amended to read:

256B.08 [APPLICATION.]

An applicant for medical assistance hereunder, or a person acting in his behalf, shall file his application with a county agency in such manner and form as shall be prescribed by the state agency. *When a married applicant resides in a nursing home or applies for medical assistance for nursing home services, the county agency shall consider an application on behalf of the applicant's spouse only upon specific request of the applicant or upon specific request of the spouse and separate filing of an application.*

Sec. 11. A law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 2, Subdivision 1, is amended to read:

Subdivision 1. *Notwithstanding the provisions of a law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 2, Subdivision 2, Clause (c), all payments for vendors of medical care under ~~medical assistance and~~ general assistance medical care shall be ~~limited to~~ based upon this standard: the 50th percentile of usual and customary fees based upon medical assistance billings during calendar year 1978. All payments for vendors of medical care under medical assistance shall be limited to the 50th percentile of usual and customary fees based upon billings during calendar year 1980 for physician services, dental care, vision care, podiatric services, chiropractic care, physical therapy, occupational therapy, speech pathologists, audiologists, mental health centers, psychologists, public health clinics, and independent laboratory and x-ray services.*

Sec. 12. [BUDGET REVIEW CONTINUED.]

The policy of the 72nd legislature shall be to continue to review the 1982-83 state budget during the interim between the 1981 and 1982 sessions in order to find cost savings to further reduce expenditures in the biennium budget."

Page 2, after line 10, insert:

"Sec. 16. [297.17] [ADDITIONAL TAX ON CIGARETTES.]

Subdivision 1. [TAX IMPOSED.] In addition to the tax imposed pursuant to section 297.02, there is imposed a tax upon the sale of cigarettes in this state or having cigarettes in possession in this state with intent to sell and upon any person engaged in business as a distributor thereof, at the following rates, subject to the discount provided in section 297.03:

(1) On cigarettes weighing not more than three pounds per thousand, 2.5 mills on each cigarette;

(2) On cigarettes weighing more than three pounds per thousand, 2.5 mills on each cigarette.

Subd. 2. [FEDERAL LAWS:] The tax imposed by this section shall not apply with respect to any sale which under the constitution and laws of the United States may not be made the subject of taxation by this state.

Subd. 3. [SALES BY STATE.] The state of Minnesota or any of its agencies, instrumentalities, or governmental subdivisions except institutions under the control and management of the commissioner of corrections shall be subject to the tax imposed by this chapter on all cigarettes sold, in the same manner as distributors, if the unit is engaged in the purchase and sale of cigarettes.

Subd. 4. [ADMINISTRATION OF TAX; PENALTIES.] The tax shall be collected together with and as part of the tax imposed in section 297.02, but the commissioner may require that returns filed shall separately report each tax. The provisions of sections 297.01, 297.02, subdivisions 2 and 5, 297.03, and 297.05 to 297.12, relating to the administration of the tax and imposing interest and penalties, shall apply to the additional tax imposed by this section.

Subd. 5. [DISPOSITION OF REVENUE.] The revenues received from the taxes, interest and penalties imposed pursuant to this section shall be deposited by the commissioner of revenue in the state treasury to the credit of the general fund.

Sec. 17. [297.27] [ADDITIONAL TAX ON USE OR STORAGE OF CIGARETTES BY CONSUMERS.]

Subdivision 1. [TAX IMPOSED.] In addition to the tax imposed pursuant to section 297.22, there is imposed a tax upon the use or storage by consumers of cigarettes in this state, and upon such consumers, at the following rates:

(1) On cigarettes weighing not more than three pounds per thousand, 2.5 mills on each cigarette;

(2) On cigarettes weighing more than three pounds per thousand, 2.5 mills on each cigarette.

Subd. 2. This tax shall not apply if the tax imposed by section 1 has been paid.

Subd. 3. This tax shall not apply to the use or storage of cigarettes in quantities of 200 or less in the possession of any one consumer, provided that the cigarettes were carried into this state by the consumer.

Subd. 4. [ADMINISTRATION OF TAX; PENALTIES.] The tax shall be collected together with and as part of the tax imposed in section 297.22, but the commissioner may require that returns filed shall separately report each tax.

The provisions of sections 297.21, 297.23, subdivisions 1 to 4, 297.24, and the penalties imposed in sections 297.23, subdivision 5, and 297.25, shall apply to the additional tax imposed by this section.

Subd. 5. [DISPOSITION OF REVENUE.] The revenues received from the taxes, interest and penalties imposed pursuant to this section shall be deposited by the commissioner of revenue in the state treasury to the credit of the general fund.

Sec. 18. Minnesota Statutes 1980, Section 297.32, Subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon all tobacco products in this state and upon any person engaged in business as a distributor thereof, at the rate of ~~20~~ 27 percent of the wholesale sales price of such tobacco products except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes in section 297.02, subdivision 1, clause (1), subject to the discount provided in section 297.35, subdivision 1. Such tax shall be imposed at the time the distributor (1) brings, or causes to be brought, into this state from without the state tobacco products for sale; (2) makes, manufactures, or fabricates tobacco products in this state for sale in this state; or (3) ships or transports tobacco products to retailers in this state, to be sold by those retailers.

Sec. 19. Minnesota Statutes 1980, Section 297.32, Subdivision 2, is amended to read:

Subd. 2. A tax is hereby imposed upon the use or storage by consumers of tobacco products in this state, and upon such consumers, at the rate of ~~20~~ 27 percent of the cost of such tobacco products, except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes in section 297.22, subdivision 1, clause (1).

The tax imposed by this subdivision shall not apply if the tax imposed by subdivision 1 on such tobacco products has been paid.

This tax shall not apply to the use or storage of tobacco products in quantities of:

1. Not more than 50 cigars;
2. Not more than 10 oz. snuff or snuff powder;
3. Not more than 1 lb. smoking or chewing tobacco or other tobacco products not specifically mentioned herein, in the possession of any one consumer.

Sec. 20. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and

cocoa products, *but does not include the following:*

(i) *chewing gum and candy products;*

(ii) *carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-carbonated and noneffervescent bottled water sold in individual containers of one gallon or more in size;*

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is

the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic ca-chous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the

construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(x) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(y) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(z) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause

(19), of the Internal Revenue Code as amended through December 31, 1978; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

Sec. 21. Minnesota Statutes 1980, Section 340.47, Subdivision 1, is amended to read:

Subdivision 1. [ON INTOXICATING LIQUORS.] There shall be levied and collected on all intoxicating liquors manufactured, imported, sold or in possession of any person in this state, except as herein provided by sections 340.50 and 340.601, and except the natural fermentation of fruit juices in the home for family use the following excise tax:

(1) On all table wine containing 14 percent or less of alcohol by volume, the sum of ~~27~~ 32 cents per gallon;

(2) On all wines containing more than 14 percent and not exceeding 21 percent of alcohol by volume, the sum of ~~79~~ 92 cents per gallon;

(3) On all wines containing more than 21 percent and not exceeding 24 percent of alcohol by volume, the sum of ~~\$1.58~~ \$1.84 per gallon;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of ~~\$3.08~~ \$3.60 per gallon;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of ~~\$1.50~~ \$1.74 per gallon;

(6) On all other distilled spirituous liquors, liqueurs, cordials, and liquors designated as specialties regardless of alcoholic content, the sum of ~~\$4.39~~ \$5.10 per gallon, but not including ethyl alcohol; provided, that in computing the tax on any package of spirits a proportional tax at a like rate on all fractional parts of a gallon shall be paid except that all fractional parts of a gallon less than 1/16 shall be taxed at the same rate as shall be taxed for 1/16 of a gallon; provided, however, that the contents of miniatures containing two fluid ounces or less shall be taxed ~~42~~ 14 cents.

Sec. 22. Minnesota Statutes 1980, Section 340.47, Subdivision 1a, is amended to read:

Subd. 1a. [METRIC CONTAINERS.] In lieu of the tax imposed by subdivision 1, there shall be levied and collected on all intoxicating liquors manufactured, imported, sold or in possession of any person in this state when packaged in containers where the net contents is stated in metric units of measure, except as herein provided by sections 340.50 and 340.601, and except the natural fermentation of fruit juices in the home for family use the following excise tax:

(1) On all table wine containing 14 percent or less of alcohol by volume, the sum of ~~seven~~ eight cents per liter;

(2) On all wines containing more than 14 percent and not exceeding 21 percent of alcohol by volume, the sum of ~~24~~ 24 cents per liter;

(3) On all wines containing more than 21 percent and not exceeding 24 percent of alcohol by volume, the sum of ~~42~~ 49 cents per liter;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of ~~81~~ 94 cents per liter;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of ~~40~~ 47 cents per liter;

(6) On all other distilled spirituous liquors, liqueurs, cordials, and liquors designated as specialties regardless of alcoholic content, the sum of ~~\$1.16~~ \$1.35 per liter, but not including ethyl alcohol; provided, that in computing the tax on any package of intoxicating liquors where the net contents is stated in metric units of measure, a proportional tax at a like rate on all fractional or multiple parts of a liter shall be paid, provided, however, that the contents of miniatures containing 50 milliliters or less shall be taxed ~~42~~ 14 cents.

Sec. 23. Minnesota Statutes 1980, Section 340.47, Subdivision 2, is amended to read:

Subd. 2. [ON FERMENTED MALT BEVERAGES.] An excise tax is hereby assessed, imposed, and levied upon the sale, either directly or indirectly of fermented malt beverages other than for shipment in interstate or foreign commerce. Such tax shall not be imposed or collected upon fermented malt beverages given away by a brewery for consumption only upon the brewery premises, for which no charge of any kind is made or collected; nor shall fermented malt liquors distributed to brewery employees for consumption only upon the brewery premises pursuant to a contract of employment be subject to such tax. Such tax shall be levied and collected at the rate of ~~\$2~~ \$2.32 per barrel of 31 gallons, containing not more than 3.2 percent of alcohol by weight, and a tax of ~~\$4~~ \$4.64 per barrel of 31 gallons containing more than 3.2 percent of alcohol by weight, and at a proportional rate for fractional parts thereof. All the receipts from these taxes shall be paid into the general fund by the commissioner of revenue. Any brewer producing and selling within this state fermented malt beverages shall receive a credit of ~~\$2~~ \$2.64 per barrel on the first 75,000 barrels, regardless of alcohol content."

Page 2, delete lines 11 to 13 and insert:

"Sec. 24. [EFFECTIVE DATE; EFFECT.]

Section 5 is effective only if the amounts appropriated in section 2, subdivision 1 of this act are available to the department of education to pay school districts the increased aid amounts required by section 5 of this act. Section 6 of this act is effective only if the amounts appropriated in section 2, subdivision 3 of this act are available to the department of education to pay school districts the increased aid amounts required by section 6 of this act. If sections 5 and 6 of this act become effective, they shall supersede Article 1, Section 21, Subdivision 1, and Article III, Section 11, respectively of the law enacted at the 1981 regular session styled as House File No. 70. Sections 13 to 15 are effective for refunds payable after December 31, 1981. Sections 16 to 23 are effective for cigarettes, little cigars, candy, and beverages sold, used or consumed in this state after May 31, 1981 and for liquor, wine and fermented malt beverages sold after May 31, 1981."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 6 and insert:

“relating to state government; supplementing appropriations for the expenses of state government with certain conditions; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; increasing the rate of the tax on cigarettes, little cigars, tobacco products and alcoholic beverages; imposing the sales tax on candy and soft drinks; amending Minnesota Statutes 1980, Section 124.32, Subdivision 1, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 297.32, Subdivisions 1 and 2; 297A.25, Subdivision 1; 340.47, Subdivisions 1, 1a and 2; amending laws enacted at the 1981 regular session styled as H. F. No. 70, Article I, Section 21, Subdivision 1; and H. F. No. 1446, Article II, Section 2, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 297.”

And when so amended the bill do pass.

Mr. Moe, R.D. moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1132 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 964 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 964

A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

May 16, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 964; report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments.

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

Senate Conferees: (Signed) Linda Berglin, Donald M. Moe, Dennis R. Frederickson

House Conferees: (Signed) Randy W. Staten, Paul A. Ogren, Karen Clark

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on S. F. No. 964 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. 964 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:

Bang	Dieterich	Langseth	Peterson, R. W.	Stern
Benson	Engler	Lantry	Petty	Stokowski
Berglin	Frank	Lindgren	Pillsbury	Stumpf
Bernhagen	Frederickson	Luther	Ramstad	Taylor
Bertram	Hughes	Merriam	Renneke	Tennessee
Brataas	Humphrey	Moe, D. M.	Rued	Vega
Dahl	Kamrath	Moe, R. D.	Setzepfandt	Waldorf
Davies	Knoll	Nelson	Sieloff	Wegener
Davis	Kroening	Penny	Sikorski	
Dicklich	Kronebusch	Peterson, D. L.	Spear	

Messrs. Berg and Lessard 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. 886 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 886

A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

May 15, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 886, 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. 886 be further amended as follows:

Page 1, delete lines 14 to 24

Page 1, line 25, before "The" insert "Subd. 2. [WRITTEN RELEASE.]"

Page 2, line 3, delete "4" and insert "3"

Page 2, line 11, after "pharmacy," insert "or not licensed to practice medicine by the board of medical examiners pursuant to sections 147.01 to 147.33,"

Page 3, after line 10, insert:

“Sec. 4. [SUNSET PROVISION.]

Sections 1 and 2 are repealed effective June 30, 1983.”

Amend the title as follows:

Page 1, line 2, delete “prohibiting disciplinary action” and insert “requiring a written disclosure and labeling information regarding dimethyl sulfoxide;”

Page 1, delete line 3

Page 1, line 4, delete “under certain conditions;”

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

Senate Conferees: (Signed) Irving M. Stern, Duane D. Benson, Ronald R. Dicklich

House Conferees: (Signed) Karen Clark, Richard J. Welch, Steve A. Sviggum

Mr. Stern moved that the foregoing recommendations and Conference Committee Report on S. F. No. 886 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. 886 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 1, as follows:

Those who voted in the affirmative were:

Benson	Engler	Langseth	Peterson, R. W.	Spear
Berg	Frank	Lantry	Petty	Stern
Berglin	Frederickson	Lessard	Pillsbury	Stokowski
Bernhagen	Hughes	Lindgren	Ramstad	Stumpf
Bertram	Humphrey	Luther	Renneke	Taylor
Brataas	Kamrath	Moe, D. M.	Rued	Tennessee
Dahl	Knoll	Moe, R. D.	Schmitz	Vega
Davies	Knutson	Nelson	Setzepfandt	Waldorf
Davis	Kroening	Penny	Sieloff	Wegener
Dicklich	Kronebusch	Peterson, D. L.	Sikorski	

Mr. Merriam 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. 400 and the Conference Committee Report thereon were reported

to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 400

A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

May 15, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 400, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments.

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

Senate Conferees: (Signed) Myrton O. Wegener, Wayne Olhoft, Glen Taylor

House Conferees: (Signed) Arlene I. Lehto, David M. Jennings, Robert E. Vanasek

Mr. Wegener moved that the foregoing recommendations and Conference Committee Report on S. F. No. 400 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. 400 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 5, as follows:

Those who voted in the affirmative were:

Benson	Frank	Lantry	Ramstad	Stokowski
Berglin	Frederickson	Lessard	Renneke	Stumpf
Bernhagen	Humphrey	Luther	Rued	Taylor
Bertram	Kamrath	Moe, R. D.	Schmitz	Tennessee
Brataas	Knoll	Nelson	Setzepfandt	Vega
Dahl	Knutson	Penny	Sieloff	Waldorf
Davies	Kroening	Peterson, R. W.	Sikorski	Wegener
Dieterich	Kronebusch	Petty	Spear	
Engler	Langseth	Pillsbury	Stern	

Those who voted in the negative were:

Bang Davis Dicklich Frederick Merriam

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 452 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 452

A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

May 15, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 452, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments.

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

Senate Conferees: (Signed) Allan H. Spear, Gregory Dahl

House Conferees: (Signed) Karen Clark, John J. Sarna, John Drew

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S. F. No. 452 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Moe, D. M. moved that the recommendations and Conference Committee Report on S. F. No. 452 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 motion.

The roll was called, and there were yeas 28 and nays 23, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Knutson	Moe, D. M.	Solon
Benson	Dieterich	Kroening	Peterson, R. W.	Stumpf
Berg	Engler	Kronebusch	Petty	Tennessee
Bernhagen	Frank	Langseth	Renneke	Ulland
Bertram	Frederick	Lessard	Setzepfandt	
Davis	Frederickson	Merriam	Sieloff	

Those who voted in the negative were:

Brataas	Knoll	Penny	Sikorski	Vega
Dahl	Lantry	Peterson, D. L.	Spear	Waldorf
Davies	Lindgren	Pillsbury	Stern	Wegener
Humphrey	Moe, R. D.	Ramstad	Stokowski	
Kamrath	Nelson	Rued	Taylor	

The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. 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. Willet; Johnson; Moe, R.D.; Mrs. Stokowski and Mr. Lessard introduced—

S.F. No. 1442: A bill for an act relating to outdoor recreation; creating the citizen's advisory sportsmen's council on Minnesota's outdoor recreational resources; prescribing its powers and duties; providing for a surcharge on fish and game licenses to fund the council; appropriating money; repealing Minnesota Statutes 1980, Section 86A.10.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Setzepfandt, Nelson, Purfeerst, Mmes. Brataas and Lantry introduced—

S.F. No. 1443: A bill for an act relating to agriculture; prohibiting the trafficking in skunks; setting a penalty; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, C.C. introduced—

S.F. No. 1444: A bill for an act relating to elections; providing for computerized voter registration files; amending Minnesota Statutes 1980, Section 201.221, Subdivision 2, as amended.

Referred to the Committee on Elections and Reapportionment.

Ms. Berglin introduced—

S.F. No. 1445: A bill for an act relating to taxation; extending the duration of the property tax targeting credit; limiting its availability to non-agricultural homesteads in cities having a population of 10,000 or more; amending Minnesota Statutes 1980, Section 290A.04, Subdivision 2c.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 1446: A bill for an act relating to taxation; providing an urban homestead property tax credit; providing state reimbursement to local units of government; appropriating funds; proposing new law coded in Minnesota Statutes, Chapter 273.

Referred to the Committee on Taxes and Tax Laws.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 7:45 p.m. The motion prevailed.

The hour of 7:45 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Nelson imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MEMBERS EXCUSED

Mr. Olhoft was excused from the Session of today from 5:00 to 6:15 p.m. Mr. Hughes was excused from the Session of today from 5:45 to 6:15 p.m. Mrs. Kronebusch was excused from this evening's Session at 10:00 p.m.

MOTIONS AND RESOLUTIONS - CONTINUED**CONFIRMATION**

Mr. Hughes moved that the report from the Committee on Education, reported May 15, 1981, 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 moved that in accordance with the report from the Committee on Education, reported May 15, 1981, the Senate, having given its advice, do now consent to and confirm the appointments of:

COUNCIL ON QUALITY EDUCATION

Patt Hobbs, Route 3, Box 80, Hutchinson, McLeod County, effective March 31, 1980, for a term expiring the first Monday in January, 1984.

Lucille E. Lackore, Glenhaven, R.R. 2, Winona, Winona County, effective March 31, 1980, for a term expiring the first Monday in January, 1984.

Judith Roy, P.O. Box 53, Red Lake, Beltrami County, effective March 31, 1980, for a term expiring the first Monday in January, 1984.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED**SUSPENSION OF RULES**

Mr. Stumpf moved that the rules of the Senate be so far suspended that H. F. No. 321, No. 2 on General Orders, be made a Special Order for immediate consideration. The motion prevailed.

SPECIAL ORDER

H. F. No. 321: A bill for an act relating to the city of St. Paul; authorizing the

issuance of a license for the sale of intoxicating liquor at Town Square 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 40 and nays 7, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Kronebusch	Penny	Stern
Bang	Dicklich	Langseth	Peterson, R. W.	Stokowski
Berg	Dieterich	Lantry	Petty	Stumpf
Bernhagen	Engler	Lessard	Pillsbury	Tennessee
Bertram	Frank	Lindgren	Ramstad	Ulland
Brataas	Hughes	Luther	Rued	Vega
Dahl	Humphrey	Merriam	Setzepfandt	Wegener
Davies	Kamrath	Moe, D. M.	Sieloff	Willet

Those who voted in the negative were:

Chmielewski	Menning	Peterson, D.L.	Renneke	Schmitz
Frederickson	Olhoft			

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Davies moved that S. F. No. 64 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Davies moved that the rules of the Senate be so far suspended that S. F. No. 64 be made a Special Order for immediate consideration. The motion prevailed.

SPECIAL ORDER

S. F. No. 64: A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; increasing the weekly maximums for certain first-party benefits; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for payment of certain benefits; increasing residual liability benefits; increasing certain uninsured benefits; establishing tort threshold limitations on uninsured motorist coverage; providing mandatory underinsured motorist coverage; amending Minnesota Statutes 1980, Sections 65B.44, Subdivisions 1, 3, 6, and 7; 65B.47, Subdivision 2, and by adding subdivisions; and 65B.49, Subdivisions 3 and 4, and by adding a subdivision.

Mr. Davies moved to amend S.F. No. 64 as follows:

Page 5, line 4, delete "\$40,000" and insert "\$35,000"

Page 5, line 6, delete "\$80,000" and insert "\$70,000"

Page 6, line 11, delete "\$40,000" and insert "\$35,000"

Page 6, line 13, delete "\$80,000" and insert "\$70,000"

Page 7, after line 26, insert:

"Sec. 11. Minnesota Statutes 1980, Section 65B.51, Subdivision 3, is amended to read:

Subd. 3. [LIMITATION OF DAMAGES FOR NON-ECONOMIC DETRIMENT.] In an action described in subdivision 1, no person shall recover damages for non-economic detriment unless:

(a) The sum of the following exceeds ~~\$4,000~~ \$8,000:

(1) Reasonable medical expense benefits paid, payable or payable but for any applicable deductible, plus

(2) The value of free medical or surgical care or ordinary and necessary nursing services performed by a relative of the injured person or a member of his household, plus

(3) The amount by which the value of reimbursable medical services or products exceeds the amount of benefit paid, payable, or payable but for an applicable deductible for those services or products if the injured person was charged less than the average reasonable amount charged in this state for similar services or products, minus

(4) The amount of medical expense benefits paid, payable, or payable but for an applicable deductible for diagnostic X-rays and for a procedure or treatment for rehabilitation and not for remedial purposes or a course of rehabilitative occupational training; or

(b) the injury results in:

(1) permanent disfigurement;

(2) permanent injury;

(3) death; or

(4) disability for 60 days or more.

(c) For the purposes of clause (a) evidence of the reasonable value of medical services and products shall be admissible in any action brought in this state.

For the purposes of this subdivision disability means the inability to engage in substantially all of the injured person's usual and customary daily activities."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the semicolon, insert "increasing certain limitation of damages;"

Page 1, line 14, delete the second "and"

Page 1, line 15, before the period, insert "and 65B.51, Subdivision 3"

The motion prevailed. So the amendment was adopted.

S. F. No. 64: A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; increasing the weekly maximums for certain first-party benefits; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for payment of certain benefits; increasing residual liability benefits; increasing

certain uninsured benefits; establishing tort threshold limitations on uninsured motorist coverage; providing mandatory underinsured motorist coverage; increasing certain limitation of damages; amending Minnesota Statutes 1980, Sections 65B.44, Subdivisions 1, 3, 6, and 7; 65B.47, Subdivision 2, and by adding subdivisions; 65B.49, Subdivisions 3 and 4, and by adding a subdivision; and 65B.51, Subdivision 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 36 and nays 21, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Merriam	Pillsbury	Stem
Bang	Engler	Moe, D. M.	Ramstad	Taylor
Benson	Frank	Moe, R. D.	Renneke	Tennessee
Bernhagen	Frederick	Nelson	Schmitz	Ulland
Brataas	Frederickson	Olhott	Setzepfandt	
Chmielewski	Hanson	Pehler	Sikorski	
Dahl	Lessard	Peterson, R. W.	Solon	
Davies	Luther	Petty	Spear	

Those who voted in the negative were:

Bertram	Kroening	Menning	Sieloff	Willet
Davis	Kronebusch	Penny	Stokowski	
Hughes	Langseth	Peterson, D.L.	Stumpf	
Kamrath	Lantry	Purfeerst	Vega	
Knoll	Lindgren	Rued	Wegener	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Penny moved that S. F. No. 513 be taken from the table. The motion prevailed.

S. F. No. 513: A bill for an act relating to interest; clarifying the usury exemption on certain loans; increasing rates of interest on loans for business and agricultural transactions and loans made by agricultural credit corporations; removing certain deficiencies and ambiguities; amending Minnesota Statutes 1980, Sections 334.01, Subdivision 2; 334.011, Subdivision 1; and 334.061.

CONCURRENCE AND REPASSAGE

Mr. Penny moved that the Senate concur in the amendments by the House to S. F. No. 513 and that the bill be placed on its repassage as amended.

Mr. Frank moved that the Senate do not concur in the amendments by the House to S. F. No. 513, 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.

CALL OF THE SENATE

Mr. Frank imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on the motion of Mr. Frank.

The question was taken on the adoption of the motion.

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

The roll was called, and there were yeas 22 and nays 37, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Lantry	Moe, R. D.	Waldorf
Davis	Humphrey	Luther	Sikorski	Willet
Dicklich	Johnson	Menning	Stokowski	
Dieterich	Knoil	Merriam	Stumpf	
Frank	Kroening	Moe, D. M.	Vega	

Those who voted in the negative were:

Ashbach	Davis	Lessard	Pillsbury	Stern
Bang	Engler	Lindgren	Purfeerst	Taylor
Benson	Frederick	Nelson	Ramstad	Tennessee
Berg	Frederickson	Olhoft	Renneke	Ulland
Bernhagen	Kamrath	Penny	Schmitz	Wegener
Bertram	Knutson	Peterson, C.C.	Setzepfandt	
Brataas	Kronebusch	Peterson, R.W.	Sieloff	
Dahl	Langseth	Petty	Solon	

The motion did not prevail.

The question recurred on the motion of Mr. Penny.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 35 and nays 22, as follows:

Those who voted in the affirmative were:

Ashbach	Dahl	Knutson	Peterson, R.W.	Setzepfandt
Bang	Davis	Langseth	Petty	Sieloff
Benson	Engler	Lindgren	Pillsbury	Solon
Berg	Frederick	Nelson	Purfeerst	Stern
Bernhagen	Frederickson	Olhoft	Ramstad	Taylor
Bertram	Hanson	Penny	Renneke	Ulland
Brataas	Kamrath	Peterson, C.C.	Schmitz	Wegener

Those who voted in the negative were:

Berglin	Hughes	Kronebusch	Moe, R. D.	Vega
Davis	Humphrey	Luther	Peterson, D.L.	Willet
Dicklich	Johnson	Menning	Sikorski	
Dieterich	Knoil	Merriam	Stokowski	
Frank	Kroening	Moe, D. M.	Stumpf	

The motion prevailed.

S. F. No. 513 was read the third time, as amended by the House, and placed on its repassage.

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

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

The roll was called, and there were yeas 41 and nays 21, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Pillsbury	Stern
Bang	Frederick	Lindgren	Purfeerst	Taylor
Benson	Frederickson	Nelson	Ramstad	Tennessee
Berg	Hanson	Olhoff	Renneke	Ulland
Bernhagen	Kamrath	Pehler	Schmitz	Wegener
Bertram	Knoll	Penny	Setzepfandt	
Brataas	Knutson	Peterson, C. C.	Sieloff	
Dahl	Kronebusch	Peterson, R. W.	Solon	
Davies	Langseth	Petty	Spear	

Those who voted in the negative were:

Berglin	Hughes	Luther	Peterson, D. L.	Willet
Davis	Humphrey	Menning	Sikorski	
Dicklich	Johnson	Merriam	Stokowski	
Dieterich	Kroening	Moe, D. M.	Stumpf	
Frank	Lantry	Moe, R. D.	Vega	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 775 a Special Order to be heard immediately.

S. F. No. 775: A bill for an act relating to health; providing for home health services through the community health services act; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.914, Subdivision 2; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

Mr. Nelson moved to amend S. F. No. 775 as follows:

Pages 4 and 5, delete section 5

Page 7, after line 29, insert:

“Sec. 10. [APPROPRIATION.]

Subdivision 1. [COMMUNITY HEALTH SERVICES.] The sum of \$500,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1983, for the purposes of funding community health services.

Notwithstanding the provisions of a law enacted at the 1981 regular session styled as House File No. 1446, Article 1, Section 7, payment under the community health services act for each county, city, group of counties or group of cities shall be based upon the formula in effect in fiscal year 1981, using the most recent data, or the amount received in 1981, whichever is greater. If the appropriation is insufficient to fully fund each governmental unit, the insufficiency shall be prorated among the governmental units.

Subd. 2. [HOME HEALTH GRANTS.] The sum of \$500,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1983, for the purpose of funding special grants for home based services for elderly and adult physically impaired persons in accordance with the provisions of Minnesota Statutes 1980, Section 145.95. The commissioner shall require the recipient of a special grant for home based services for

elderly and adult physically impaired persons to provide 25 percent of the cost of the services."

Page 7, line 31, delete "Section 10 is" and insert "Sections 1 to 10 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

Page 1, line 6, delete "145.914, Subdivision 2;"

The motion prevailed. So the amendment was adopted.

S. F. No. 775: A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, D.L.	Spear
Bang	Engler	Lessard	Peterson, R.W.	Stern
Belanger	Frank	Lindgren	Petty	Stokowski
Benson	Frederick	Luther	Pillsbury	Stumpf
Berg	Frederickson	Menning	Purfeerst	Taylor
Berglin	Hanson	Merriam	Ramstad	Tennessee
Bernhagen	Hughes	Moe, D. M.	Renneke	Ulland
Bertram	Humphrey	Moe, R. D.	Rued	Vega
Brataas	Kamrath	Nelson	Schmitz	Waldorf
Dahl	Knoll	Olhoft	Setzepfandt	Wegener
Davies	Knutson	Pehler	Sieloff	Willet
Davis	Kroening	Penny	Sikorski	
Dicklich	Langseth	Peterson, C.C.	Solon	

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

RECESS

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

H. F. No. 353: Messrs. Menning, Penny, Luther, Sieloff and Renneke.

H. F. No. 3: Messrs. Tennessee, Knutson and Spear.

S. F. No. 452: Messrs. Spear, Moe, D.M. and Dahl.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senator be and he hereby is appointed as a conferee on:

H. F. No. 1474: Mr. Renneke, replacing Mr. Keefe.

Mr. Moe, R.D. moved that the foregoing appointment be approved. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 295 a Special Order to be heard immediately.

H. F. No. 295: A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

Mr. Peterson, C.C. moved to amend H.F. No. 295, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 355.)

Page 3, after line 17, insert:

"Sec. 3. Minnesota Statutes 1980, Section 11A.08, Subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] There is created an investment advisory council consisting of ten members who are experienced in general investment matters and who shall be appointed by the state board, the commissioner of finance and the executive directors of each of the following: the Minnesota state retirement system, the public employees retirement association, the teachers retirement association and the Minneapolis municipal employees retirement fund, and a retiree currently receiving benefits from the post-retirement investment fund who shall be appointed by the governor for a four year term.

Sec. 4. Minnesota Statutes 1980, Section 422A.05, Subdivision 2c, is amended to read:

Subd. 2c. The board may invest funds in investments authorized by section 11A.24. ~~corporate stocks or corporate obligations of any corporation organized under the laws of the United States or of any state of the United States or the Dominion of Canada or any province thereof and other corporations traded on the New York or American Stock Exchanges if they conform to the following provisions:~~

(a) On corporate stocks:

(1) The market value of these investments shall not exceed 50 percent of the market value of the funds.

(2) Investments in any one corporation shall not exceed five percent of the market value of the funds or five percent of the total shares outstanding of any one corporation.

(3) Cash dividends on these investments shall have been earned and paid for

the preceding five years.

(4) Investments which do not conform to the dividend standard contained in clause (3) may be held, but the total amount of these securities shall not exceed five percent of the total market value of the funds.

(b) On corporate obligations:

(1) The consolidated net pretax earnings of corporations other than finance corporations shall have been an average for the preceding five years at least 1.5 times the annual interest charge on total funded debt applicable to that period.

(2) The consolidated net pretax earnings of banks and finance corporations shall have been an average for the preceding five years at least 1.2 times the annual interest charges on total funded debt applicable to that period.

(3) Obligations shall be rated among the top three quality categories by a nationally recognized rating agency; or if unrated, the corporation shall have other comparably secured issues similarly rated; or the consolidated net pretax earnings of the corporation shall have been an average for the preceding five years at least twice the ratios required in clauses (a) and (b).

Sec. 5. Minnesota Statutes 1980, Section 422A.06, Subdivision 1, is amended to read:

Subdivision 1. [CREATION; DIVISIONS OF FUND.] For the purposes of sections 422A.01 to 422A.25 there shall be a Minneapolis employees retirement fund, hereafter referred to as the retirement fund. The retirement fund shall be subdivided into (1) a deposit accumulation fund, (2) a participating share in the Minnesota ~~adjustable fixed-benefit post-retirement investment~~ fund, (3) a survivor benefit fund, and (4) a disability benefit fund, and (5) a ~~retirement benefit fund~~. Expense of administration of the retirement fund shall be paid from the deposit accumulation fund, less the amount as the retirement board may charge against income from investments as the cost of handling the investments of the retirement fund.

Sec. 6. Minnesota Statutes 1980, Section 422A.06, Subdivision 3, is amended to read:

Subd. 3. [DEPOSIT ACCUMULATION FUND.] The deposit accumulation fund shall consist of the assets held in such fund, increased by amounts contributed by or for employees, amounts contributed by the city, amounts contributed by municipal activities supported in whole or in part by revenues other than taxes and amounts contributed by any public corporation, and by income from investments. There shall be paid from the fund the amounts required to be transferred to the Minnesota ~~adjustable fixed-benefit post-retirement investment~~ fund, ~~retirement benefit fund~~, or the disability benefit fund, refunds of contributions, death benefits payable on death before retirement not payable from the survivors' benefit fund, retirement allowances granted pursuant to Laws 1965, Chapter 688, Laws 1969, Chapter 859, and expenses of administration.

Sec. 7. Minnesota Statutes 1980, Section 422A.06, Subdivision 4, is amended to read:

Subd. 4. [PARTICIPATION IN THE MINNESOTA ~~ADJUSTABLE FIXED-BENEFIT POST-RETIREMENT INVESTMENT~~ FUND.] The ~~munie-~~

~~the~~ Minneapolis employees retirement fund shall *not* participate in the Minnesota ~~adjustable fixed-benefit~~ *post-retirement adjustment* fund. In that fund there shall be deposited the amounts provided in subdivision 5.

Sec. 8. Minnesota Statutes 1980, Section 422A.06, Subdivision 5, is amended to read:

Subd. 5. [VALUATION OF ASSETS; ADJUSTMENTS OF BENEFITS.]
(a) For those members retiring pursuant to sections 422A.01 to 422A.25, assets equal to the required reserves as determined in accordance with a mortality table appropriate to the fund with an interest assumption of five percent, shall be transferred to the Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund ~~or~~, the disability benefit funds as provided in subdivision 7, ~~or the retirement benefit fund~~, except for any amounts payable from the survivor benefit fund, as of date of retirement.

(b) Annuity payments shall be adjusted in accordance with the provisions of sections 422A.09 and 422A.15, except that no minimum retirement payments therein described shall include any amounts payable from the survivors' benefit fund or disability benefit fund and supplemented benefits specifically financed by statute.

(c) Notwithstanding the provisions of section 356.18 increases in annuity payments pursuant to this section will be made automatically unless written notice on a form prescribed by the board is filed with the retirement board requesting that the increase shall not be made.

(d) All annuities payable from the Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund which are in effect on June 30, 1973 shall be increased in the same ratio that the actuarially computed reserve for such annuities determined by using an interest assumption of 3-1/2 percent bears to the actuarially computed reserve for such annuities determined by using an interest assumption of five percent. The reserves upon which such increases shall be based shall be the actuarially determined reserves for all Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund annuities which were in effect on December 31, 1972, in accordance with the mortality assumptions then in effect and at interest assumptions of 3-1/2 percent and five percent. The ratio of increase computed to the last full 1/100 of one percent shall be applied to all annuities payable from the Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund which are in effect on June 30, 1973. Any additional annuity shall begin to accrue on July 1, 1973 and shall be considered as part of the base amount to be used in determining any increase which may become effective on January 1, 1974 under the provisions of section 11.25, subdivisions 12 and 13.

(e) All assets in the annuity stabilization reserve and suspense account shall be credited proportionately to the individual retirement funds' participation in the Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund. Effective January 1, 1974 each participating fund in the Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund, except the municipal employees retirement fund, shall increase the benefits in effect on June 30, 1973 by an amount that when added to the increase granted to such benefits effective July 1, 1973, equals 20 percent. The increase shall apply to accrual of benefits commencing January 1, 1974 and shall be in lieu of the adjustment provided by Minnesota Statutes, 1973 Supplement, Section 11.25, Subdivisions 12 and 13

scheduled to take effect January 1, 1974. The municipal employees retirement fund of Minneapolis shall determine the increase if any in accrual of benefits commencing January 1, 1974, determined on the basis of its entire participation in the manner provided in Minnesota Statutes, 1973 Supplement, Section 11.25, Subdivisions 12 and 13.

(f) The actuary for each participating fund shall calculate the reserve required to support the benefits in effect on June 30, 1973 as increase July 1, 1973 and herein. As of December 31, 1973, each participating fund shall transfer to or from the Minnesota ~~adjustable fixed-benefit~~ *post-retirement investment* fund assets so that its participation equals the total of such required reserves and the reserve for benefits authorized on or after July 1, 1973. The increased benefits accruing as of January 1, 1974 shall be considered the "originally determined benefits" for the purpose of future adjustments.

Sec. 9. Minnesota Statutes 1980, Section 422A.06, is amended by adding a subdivision to read:

Subd. 8. [RETIREMENT BENEFIT FUND.] The retirement benefit fund shall consist of amounts held for payment of retirement allowances for members retired pursuant to sections 422A.01 to 422A.25. For members retiring after the established date for the transfer of assets and liabilities specified in section 6, assets equal to the required reserves pursuant to law shall be transferred from the deposit accumulation fund to the retirement benefit fund. All income from investments of these assets shall be allocated to this fund. There shall be paid from this fund all the retirement annuities authorized by law. The retirement benefit fund shall be governed by the applicable laws governing the accounting and audit procedures, investment, actuarial requirements, calculation and payment of post-retirement benefit adjustments, discharge of any deficiency in the assets of the fund when compared to the actuarially determined required reserves, and other applicable operations and procedures regarding the Minnesota post-retirement investment fund established pursuant to section 11A.18, and any legal or administrative interpretations of those laws of the state board of investment, the legal advisor to the board of investment and the executive director of the state board of investment. The retirement board shall also establish a deferred yield adjustment account within this fund.

Sec. 10. [TEMPORARY PROVISION: TRANSFER OF CERTAIN ASSETS AND LIABILITIES.]

The state board of investment shall transfer the assets and obligations in the Minnesota post-retirement investment fund attributable to the retired members of the Minneapolis employees retirement fund to the retirement benefit fund established pursuant to section 7.

Notwithstanding any law to the contrary, the transfer of assets and obligations shall be based on the proportional share of required reserves of the Minnesota post-retirement investment fund attributable by Minneapolis retirement fund retired members as determined by the actuary for the legislative commission on pensions and retirement as of the established date for the transfer of assets and liabilities. The proportional share of required reserves attributable to retired members of the Minneapolis employees retirement fund shall determine the proportional share of the assets of the Minnesota post-retirement investment fund to be transferred based on market value.

As of the established date for the transfer of assets and liabilities, the

liability for the payment of all annuities to annuitants of the Minneapolis employees retirement fund previously payable from the Minnesota post-retirement investment fund shall be transferred to the retirement benefit fund of the Minneapolis employees retirement fund and shall no longer be the liability of the Minnesota post-retirement investment fund.

At the close of the business day as of the established date for the transfer of assets and liabilities there shall be transferred to the Minneapolis retirement fund board title to assets equal to not less than 90 percent of the total market value of the estimated Minneapolis employees retirement fund participation in the Minnesota post-retirement investment fund. All market valuations shall be determined by a nationally recognized firm known to perform such evaluations which is mutually agreed upon by the state board of investment and Minneapolis retirement fund board. The transfer shall be in securities which are mutually agreeable to both parties and in cash, and shall be representative of the portfolio composition on the established date for the transfer of assets and liabilities. The remainder of the transfer shall be in cash with interest at the average rate earned in the Minnesota post-retirement investment fund short term portfolio from the established date for the transfer of assets and liabilities to the actual date of transfer after the actuarial determination of the proportional share of reserves attributable to retired members of the Minneapolis retirement fund is calculated by the actuary for the legislative commission on pensions and retirement. The proportional share of the deferred yield adjustment account of the Minnesota post-retirement investment fund attributable to the Minneapolis employees retirement fund as of the established date for the transfer of assets and liabilities shall be credited to the deferred yield adjustment account in the retirement benefit fund.

Upon the completion of the transfer authorized by this section, the legislative auditor shall conduct an examination of the transfer proceedings, prepare specific findings as to the propriety of fiscal correctness thereof and transmit these findings to the state board of investment, Minneapolis retirement fund board, the board of directors of the Minnesota state retirement system, the board of trustees of the public employees retirement association, the board of trustees of the teachers retirement association, the committee on public employees and pensions of the senate, the committee on governmental operations of the house of representatives, and the legislative commission on pensions and retirement. If the legislative auditor finds any error in the transfer proceedings, the parties to the transfer shall immediately cause the error to be corrected.

The Minneapolis retirement fund board shall pay any costs arising from the transfer authorized by this subdivision if the costs would not have been incurred in the absence of the transfer.

The established date for the transfer of assets and liabilities shall be June 30, 1981, unless the state board of investment and the Minneapolis employees retirement fund board jointly agree that the transfer authorized by this section should not be consummated on that date, whereupon the established date for the transfer of assets and liabilities shall be June 30, 1982.

Sec. 11. [REVISOR OF STATUTES; INSTRUCTIONS.]

In the next edition of Minnesota Statutes, the revisor of statutes shall remove the term "Minneapolis municipal employee retirement fund" wherever it appears and replace it with the term "Minneapolis employees retirement fund".

Sec. 12. [REPEALER.]

Minnesota Statutes 1980, Section 422A.05, Subdivision 3, is repealed.

Page 3, line 19, delete "This act is" and insert "Sections 1 and 2 are"

Page 3, line 19, after the period, insert "Sections 3 to 12 are effective upon compliance with Minnesota Statutes, Section 645.021."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "removing the director from the state board investment advisory council; changing the investment authority of the fund; the Minneapolis employees retirement fund; establishing a new retirement benefit fund therein; transferring assets from the Minnesota post-retirement investment fund;"

Page 1, line 4, before the period, insert "amending Minnesota Statutes 1980, Sections 11A.08, Subdivision 1; 422A.05, Subdivision 2c; and 422A.06, Subdivisions 1, 3, 4, 5, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 422A.05, Subdivision 3"

The motion prevailed. So the amendment was adopted.

Mr. Moe, D. M. moved to amend H.F. No. 295, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 355.)

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1980, Section 11A.09, is amended to read:

11A.09 [STANDARD OF CARE INVESTMENT STANDARDS:]

Subdivision 1. [POLICY.] The legislature finds that moneys under the jurisdiction of the state board must be invested so that the total portfolio is designed to earn the highest possible return consistent with the need to preserve the security of the moneys. Further, the legislature finds that the moneys under the board's jurisdiction offer the potential for helping to improve Minnesota's economic condition and thereby directly benefiting the beneficiaries of the moneys and other citizens of the state. Further, the legislature finds that the investment of money solely to benefit the interests of retirement plan participants and beneficiaries represents a highly desirable goal. In recognition of these findings, the legislature adopts the following standards of care to govern the investment of moneys under the jurisdiction of the board.

Subd. 2. [PRUDENT PERSON.] In the discharge of their respective duties, the members of the state board, director, board staff, members of the council and any other person charged with the responsibility of investing money pursuant to the standards set forth in sections 11A.01 to 11A.25 shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom.

Subd. 3. [ADDITIONAL STANDARDS.] In selecting among those investment opportunities which meet the prudent person standard defined in subdivision 2 and any other applicable statutory limitations, the board and its staff shall to the extent possible select those investments which have one or more of the following characteristics:

(a) the investment is in a business concern that does business in the state, which employs Minnesota residents, which has the potential for job expansion in the state, and which will contribute to the state's economic well-being;

(b) the investment will tend to improve the economic viability of a small city or urban neighborhood in the state;

(c) the investment will increase the supply of housing in the state, especially housing intended for low and moderate income persons;

(d) the investment will result in the development of alternative energy systems in Minnesota, will encourage energy conservation in the state or will reduce the state's dependence on outside energy sources;

(e) the investment will assist in the preservation and promotion of family farming or small business in the state; and

(f) the investment will serve other goals as identified by the board as being in the economic interests of beneficiaries of moneys invested by the board and the citizens of the state.

In applying the standards contained in this subdivision, the state board and its staff shall take no actions which they construe to be not in the best interests of retirement plan participants and beneficiaries.

Subd. 4. [EXEMPTION.] The standards and prohibitions contained in subdivision 3 shall not apply in respect to the investments of the post-retirement investment fund established in section 11A.18."

Renumber the sections in sequence

Page 3, line 19, delete "This act is" and insert "Sections 2 and 3 are"

Amend the title as follows:

Page 1, line 2, delete "retirement;" and insert "the management of certain public funds; establishing standards for the selection of certain prudent invest-

ments by the state board of investment;”

Page 1, line 4, after “funds” insert “; amending Minnesota Statutes 1980, Section 11A.09”

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Peterson, C. C. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

RECONSIDERATION

Having voted on the prevailing side, Mr. Berg moved that the vote whereby the Moe, D. M. amendment to H. F. No. 295 was adopted on May 16, 1981, be now reconsidered. The motion prevailed.

The question recurred on the Moe, D. M. amendment. Mr. Moe, D. M. withdrew his amendment.

RECONSIDERATION

Having voted on the prevailing side, Mr. Berg moved that the vote whereby the Peterson, C. C. amendment to H. F. No. 295 was adopted on May 16, 1981, be now reconsidered. The motion did not prevail.

H. F. No. 295 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 63 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, D.L.	Spear
Bang	Engler	Lantry	Peterson, R.W.	Stern
Belanger	Frank	Lessard	Petty	Stokowski
Benson	Frederick	Lindgren	Pillsbury	Stumpf
Berg	Frederickson	Luther	Purfeerst	Taylor
Berglin	Hanson	Menning	Ramstad	Tennessen
Bernhagen	Hughes	Merriam	Renneke	Ulland
Bertram	Humphrey	Moe, R. D.	Rued	Vega
Brataas	Kamrath	Nelson	Schmitz	Waldorf
Chmielewski	Knoll	Olhoft	Setzepfand	Wegener
Dahl	Knutson	Pehler	Sieloff	Willet
Davies	Kroening	Penny	Sikorski	
Davis	Kronebusch	Peterson, C.C.	Solon	

Messrs. Dicklich and Moe, D. M. voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 968 a Special Order to be heard immediately.

H. F. No. 968: A bill for an act relating to penalties for crimes; authorizing penalty assessments for peace officers training; appropriating money; amend-

ing Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 588.01, Subdivision 3; 626.845, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 626.

Mr. Hanson moved to amend H. F. No. 968, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 807.)

Page 1, line 10, delete "ACCOUNT"

Page 2, line 1, delete "*petty misdemeanors or*"

Page 2, line 2, delete "*for criminal or*"

Page 2, line 2, after "*offenses*" insert "*in violation of chapters 168 to 173 or equivalent local ordinances*"

Page 3, line 6, before "*but*" insert "*with designation of its origin as a penalty assessment.*"

Page 6, line 13, after "*the*" insert "*board of*"

Page 6, line 13, after "*officers*" insert "*standards and*"

Page 6, line 13, delete "*account created in*" and insert "*to be expended pursuant to*"

Page 6, line 16, after "*Section*" delete "*1*" and insert "*2*"

Page 6, line 17, delete "*petty misdemeanors, criminal offenses, and*"

Amend the title as follows:

Page 1, line 2, delete "crimes" and insert "traffic offenses"

The motion prevailed. So the amendment was adopted.

H. F. No. 968 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:

Ashbach	Davis	Knutson	Moe, R. D.	Sieloff
Belanger	Dicklich	Kroening	Olhoft	Sikorski
Benson	Dieterich	Kronebusch	Peterson, D. L.	Spear
Berg	Engler	Langseth	Peterson, R. W.	Stern
Bernhagen	Frank	Lantry	Petty	Stokowski
Bertram	Hanson	Lessard	Pillsbury	Taylor
Brataas	Hughes	Lindgren	Purfeerst	Tennessee
Chmielewski	Humphrey	Luther	Ramstad	Vega
Dahl	Kamrath	Menning	Schmitz	Waldorf
Davies	Knoll	Merriam	Setzepfandt	Wegener

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 247 a Special Order to be heard

immediately.

H. F. No. 247: A bill for an act relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services.

Mr. Spear moved to amend H. F. No. 247, as amended by the Committee on Finance, adopted by the Senate May 8, 1981, as follows:

Page 4, line 1, delete "and"

Page 4, line 6, delete the period and insert "; and"

The motion prevailed. So the amendment was adopted.

H. F. No. 247 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	Davis	Kroening	Olhoft	Sikorski
Belanger	Dicklich	Kronebusch	Peterson, D.L.	Spear
Benson	Dieterich	Langseth	Peterson, R.W.	Stern
Berg	Engler	Lantry	Petty	Stokowski
Bernhagen	Frank	Lessard	Pillsbury	Taylor
Bertram	Hughes	Lindgren	Purfeerst	Tennessee
Brataas	Humphrey	Luther	Ramstad	Vega
Chmielewski	Kamrath	Menning	Schmitz	Waldorf
Dahl	Knoll	Merriam	Setzepfand	Wegener
Davies	Knutson	Moe, R. D.	Sieloff	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1164 a Special Order to be heard immediately.

S. F. No. 1164: A bill for an act relating to crimes; providing for review of sentences imposed prior to adoption of sentencing guidelines; proposing new law coded in Minnesota Statutes, Chapter 244.

CALL OF THE SENATE

Mr. Spear imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Spear moved to amend S.F. No. 1164 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 590.01, is amended by adding a subdivision to read:

Subd. 3. A person who has been convicted and sentenced for a crime may institute a proceeding applying for relief under this chapter upon the ground that a significant change in substantive or procedural law has occurred which, in the interest of justice, should be applied retrospectively, including re-sen-

tencing under subsequently enacted law."

Amend the title as follows:

Page 1, line 2, delete "review" and insert "application for relief"

Page 1, delete lines 4 and 5 and insert "amending Minnesota Statutes 1980, Section 590.01, by adding a subdivision."

The motion prevailed. So the amendment was adopted.

S. F. No. 1164: A bill for an act relating to crimes; providing for application for relief of sentences imposed prior to adoption of sentencing guidelines; amending Minnesota Statutes 1980, Section 590.01, by adding a subdivision.

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 42 and nays 13, as follows:

Those who voted in the affirmative were:

Ashbach	Hughes	Lessard	Pillsbury	Taylor
Benson	Humphrey	Lindgren	Ramstad	Tennesen
Bernhagen	Kamrath	Luther	Schmitz	Ulland
Brataas	Knoll	Merriam	Setzepfandt	Vega
Chmielewski	Knutson	Moe, D. M.	Sikorski	Waldorf
Davies	Kroening	Moe, R. D.	Solon	Wegener
Dicklich	Kronebusch	Olhoft	Spear	
Dieterich	Langseth	Peterson, R. W.	Stern	
Frederick	Lantry	Petty	Stokowski	

Those who voted in the negative were:

Bang	Bertram	Engler	Menning	Sieloff
Belanger	Dahl	Frank	Peterson, D. L.	
Berg	Davis	Frederickson	Rued	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R. D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 305 a Special Order to be heard immediately.

H. F. No. 305: A bill for an act relating to crimes; specifying the crime of theft of services; amending Minnesota Statutes 1980, Section 609.52, Subdivisions 1 and 2.

Mr. Luther moved to amend H. F. No. 305, the unofficial engrossment, as follows:

Page 4, line 13, after "goods" insert "or services"

Page 4, lines 25 to 29, reinstate the stricken language and delete the new language

Page 5, delete lines 2 to 5

The motion prevailed. So the amendment was adopted.

Mr. Luther moved that H. F. No. 305 be laid on the table. The motion

prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 591 a Special Order to be heard immediately.

H. F. No. 591: A bill for an act relating to the city of St. Paul; repealing the people mover act; repealing Minnesota Statutes 1980, Chapter 458B.

Was read the third time 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 2, as follows:

Those who voted in the affirmative were:

Benson	Engler	Langseth	Pehler	Sikorski
Berg	Frank	Lantry	Penny	Solon
Bernhagen	Frederick	Lessard	Peterson, C. C.	Spear
Bertram	Frederickson	Lindgren	Peterson, D. L.	Stern
Chmielewski	Hughes	Luther	Peterson, R. W.	Stokowski
Dahl	Humphrey	Menning	Petty	Taylor
Davies	Kamrath	Merriam	Ramstad	Tennessee
Davis	Knutson	Moe, D. M.	Renneke	Ulland
Dicklich	Kroening	Moe, R. D.	Schmitz	Vega
Dieterich	Kronebusch	Olhoft	Sieloff	

Mrs. Brataas and Mr. Rued voted in the negative.

So the bill passed and its title was agreed to.

Mr. Luther moved that H. F. No. 305 be taken from the table. The motion prevailed.

H. F. No. 305: A bill for an act relating to crimes; specifying the crime of theft of services; amending Minnesota Statutes 1980, Section 609.52, Subdivisions 1 and 2.

Mr. Davies moved to amend H. F. No. 305, the unofficial engrossment, as follows:

Page 7, line 4, after "(13)" insert "*Except as provided in paragraph (12),*"

The motion prevailed. So the amendment was adopted.

H. F. No. 305 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 1, as follows:

Those who voted in the affirmative were:

Bang	Davis	Kroening	Olhoft	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Sikorski
Benson	Engler	Lantry	Peterson, D. L.	Spear
Berg	Frank	Lessard	Peterson, R. W.	Stern
Bernhagen	Frederick	Lindgren	Petty	Stokowski
Bertram	Frederickson	Luther	Ramstad	Taylor
Brataas	Hughes	Menning	Renneke	Tennessee
Chmielewski	Humphrey	Merriam	Rued	Ulland
Dahl	Kamrath	Moe, D. M.	Schmitz	Vega
Davies	Knutson	Moe, R. D.	Setzepfandt	Waldorf

Mr. Dicklich 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. Moe, R.D. 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. 1265: A bill for an act relating to the Ramsey-Washington Metro watershed district; permitting deferral of special assessments in certain cases of hardship.

Senate File No. 1265 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

CONCURRENCE AND REPASSAGE

Mrs. Lantry moved that the Senate concur in the amendments by the House to S. F. No. 1265 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1265 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 0, as follows:

Those who voted in the affirmative were:

Belanger	Engler	Lantry	Peterson, R.W.	Stokowski
Benson	Frank	Lessard	Petty	Taylor
Berg	Frederick	Lindgren	Purfeerst	Tennessee
Bernhagen	Frederickson	Menning	Ramstad	Ulland
Bertram	Hughes	Merriam	Renneke	Vega
Brataas	Humphrey	Moe, D.M.	Rued	Waldorf
Chmielewski	Kamrath	Moe, R.D.	Schmitz	Wegener
Dahl	Knutson	Nelson	Sieloff	
Davis	Kroening	Olhoft	Sikorski	
Dicklich	Kronebusch	Penny	Spear	
Dieterich	Langseth	Peterson, D.L.	Stern	

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. 476: A bill for an act relating to crimes; providing the court with

discretion to require a presentence investigation in the case of felony convictions; requiring a presentence sentencing worksheet for a defendant convicted of a felony; amending Minnesota Statutes 1980, Section 609.115, Subdivision 1.

Senate File No. 476 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

CONCURRENCE AND REPASSAGE

Mr. Ramstad moved that the Senate concur in the amendments by the House to S. F. No. 476 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 476 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:

Belanger	Dieterich	Kronebusch	Olhoft	Sieloff
Benson	Engler	Langseth	Penny	Sikorski
Berg	Frank	Lantry	Peterson, D.L.	Spear
Bernhagen	Frederick	Lessard	Peterson, R.W.	Stern
Bertram	Frederickson	Lindgren	Petty	Stokowski
Brataas	Hughes	Luther	Purfeerst	Taylor
Chmielewski	Humphrey	Menning	Ramstad	Tennesen
Dahl	Kamrath	Merriam	Renneke	Ulland
Davies	Knoll	Moe, D. M.	Rued	Vega
Davis	Knutson	Moe, R. D.	Schmitz	Waldorf
Dicklich	Kroening	Nelson	Setzepfandt	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. 393: A bill for an act relating to taxation; providing that property owned by certain senior citizens' groups be exempt from taxation; amending Minnesota Statutes 1980, Section 272.02, Subdivision 1.

Senate File No. 393 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

CONCURRENCE AND REPASSAGE

Mr. Menning moved that the Senate concur in the amendments by the House to S. F. No. 393 and that the bill be placed on its repassage as amended. The

motion prevailed.

S. F. No. 393 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:

Belanger	Engler	Lantry	Peterson, D. L.	Stern
Benson	Frank	Lessard	Peterson, R. W.	Stokowski
Berg	Frederick	Lindgren	Petty	Taylor
Bernhagen	Frederickson	Luther	Purfeerst	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Humphrey	Merriam	Renneke	Vega
Chmielewski	Kamrath	Moe, D. M.	Rued	Waldorf
Dahl	Knoll	Moe, R. D.	Schmitz	Wegener
Davies	Knutson	Nelson	Setzepfandt	Willet
Davis	Kroening	Olhoft	Sieloff	
Dicklich	Kronebusch	Penny	Sikorski	
Dieterich	Langseth	Peterson, C. C.	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. 975: A bill for an act relating to commerce; eliminating the state override of the federal usury preemption on certain loans; repealing Minnesota Statutes 1980, Section 47.203.

Senate File No. 975 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

CONCURRENCE AND REPASSAGE

Mr. Peterson, C. C. moved that the Senate concur in the amendments by the House to S. F. No. 975 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 975: A bill for an act relating to financial institutions; authorizing the making and purchasing of cooperative apartment loans; prescribing certain requirements and conditions applicable to these loans; redefining the term "graduated payment home loan" to include cooperative apartment loans; eliminating the state override of the federal usury preemption on certain loans; amending Minnesota Statutes 1980, Sections 47.20, Subdivisions 1, 2, 3, 4, 4a, 7, and 13a; and 47.201; repealing Minnesota Statutes 1980, Section 47.203.

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 22, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Menning	Petty	Taylor
Belanger	Humphrey	Moe, D. M.	Purfeerst	Tennessee
Benson	Knoll	Moe, R. D.	Ramstad	Ulland
Bernhagen	Knutson	Nelson	Renneke	Wegener
Brataas	Kronebusch	Olhoft	Schmitz	
Dahl	Langseth	Penny	Setzepfandt	
Davies	Lessard	Peterson, C. C.	Solon	
Engler	Lindgren	Peterson, R. W.	Stern	

Those who voted in the negative were:

Bertram	Frank	Lantry	Sieloff	Waldorf
Chmielewski	Frederickson	Luther	Sikorski	Willet
Davis	Hughes	Merriam	Spear	
Dicklich	Kamrath	Peterson, D. L.	Stokowski	
Dieterich	Kroening	Rued	Vega	

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. 1084: A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1980, Section 340.14, Subdivision 5.

Senate File No. 1084 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

CONCURRENCE AND REPASSAGE

Mr. Stern moved that the Senate concur in the amendments by the House to S. F. No. 1084 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1084 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 30 and nays 29, as follows:

Those who voted in the affirmative were:

Bang	Engler	Lantry	Nelson	Sikorski
Belanger	Frederick	Lessard	Peterson, R. W.	Solon
Brataas	Hughes	Luther	Petty	Spear
Dahl	Knoll	Merriam	Ramstad	Stokowski
Dicklich	Knutson	Moe, D. M.	Schmitz	Tennessee
Dieterich	Kronebusch	Moe, R. D.	Setzepfandt	Wegener

Those who voted in the negative were:

Benson	Davis	Langseth	Peterson, D. L.	Taylor
Berg	Frank	Lindgren	Purfeerst	Ulland
Bernhagen	Frederickson	Menning	Renneke	Vega
Bertram	Humphrey	Olhoft	Rued	Waldorf
Chmielewski	Kamrath	Penny	Sieloff	Willet
Davies	Kroening	Peterson, C. C.	Stern	

So the bill, as amended, failed to pass.

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. 537: A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

Senate File No. 537 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

Mr. Purfeerst moved that the Senate do not concur in the amendments by the House to S. F. No. 537, 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. 1143:

H. F. No. 1143: A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and

penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095; Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

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

Brandl, Begich and Dempsey have been appointed as such committee on the part of the House.

House File No. 1143 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, 1981

Mr. Dieterich moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1143, 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. 338 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 338: A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

Senate File No. 338 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 359 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 359: A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate divi-

sion within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a

subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

Senate File No. 359 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 400 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 400: A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

Senate File No. 400 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 886 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 886: A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

Senate File No. 886 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 964 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 964: A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

Senate File No. 964 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 31 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 31

A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

May 16, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 31, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 31 be amended as follows:

Page 1, after line 15, insert:

"Nothing in this section shall be construed to restrict the study of options under consideration regarding the completion of Interstate 35E."

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

Senate Conferees: (Signed) Neil Dieterich, Peter P. Stumpf

House Conferees: (Signed) Walter R. Hanson, Randy C. Kelly

Mr. Dieterich moved that the foregoing recommendations and Conference Committee Report on S. F. No. 31 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. 31 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:

Belanger	Engler	Lantry	Peterson, D. L.	Spear
Benson	Frank	Lessard	Peterson, R. W.	Stern
Berg	Frederick	Lindgren	Petty	Stokowski
Bernhagen	Frederickson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennessee
Brataas	Humphrey	Merriam	Renneke	Ulland
Chmielewski	Kamrath	Moe, D. M.	Rued	Vega
Dahl	Knoll	Moe, R. D.	Schmitz	Waldorf
Davies	Knutson	Nelson	Setzepfandt	Wegener
Davis	Kroening	Olhoft	Sieloff	Willet
Dicklich	Kronebusch	Penny	Sikorski	
Dieterich	Langseth	Peterson, C. C.	Solon	

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

MEMBERS EXCUSED

Mr. Pillsbury was excused from this evening's Session at 11:50 p.m. Mr. Willet was excused from this evening's Session from 11:30 p.m. to 12:30 a.m.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Monday, May 18, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-SEVENTH DAY

St. Paul, Minnesota, Monday, May 18, 1981

The Senate met at 9:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Sister Michelle McGurran.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

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

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Spear
Bang	Engler	Langseth	Peterson, D. L.	Stern
Belanger	Frank	Lantry	Peterson, R. W.	Stokowski
Benson	Frederick	Lessard	Petty	Stumpf
Berg	Frederickson	Lindgren	Pillsbury	Taylor
Berglin	Hanson	Luther	Purfeerst	Tennessen
Bernhagen	Hughes	Menning	Ramstad	Ulland
Bertram	Humphrey	Merriam	Renneke	Vega
Brataas	Johnson	Moe, D. M.	Rued	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Wegener
Dahl	Keefe	Nelson	Setzepfandt	Willet
Davies	Knoll	Olhof	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	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. Knoll and Peterson, D. L. were excused from the Session of today from 9:00 to 10:00 a.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 15, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981

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 1981	Date Filed 1981
	6	197	May 15	May 15
	619	198	May 15	May 15
	704	199	May 15	May 15
	979	200	May 15	May 15
	276	201	May 15	May 15
145		202	May 15	May 15
159		203	May 15	May 15
209		204	May 15	May 15
215		205	May 15	May 15
399		206	May 15	May 15
558		207	May 15	May 15
805		208	May 15	May 15
835		209	May 15	May 15
876		210	May 15	May 15
1087		211	May 15	May 15

Sincerely,

Joan Anderson Growe
Secretary of State

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. 278.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

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. 574: A bill for an act relating to judicial procedures; changing certain provisions relating to guardianship and conservatorship; amending Minnesota Statutes 1980, Sections 525.539, Subdivision 3, and by adding a subdivision; 525.54; 525.541; 525.542; 525.543; 525.55; 525.551; 525.5515; 525.56, Subdivisions 3 and 4; 525.58; 525.591, Subdivisions 2 and 3; 525.618, Subdivision 1; 525.6185; 525.619; 525.6192; 525.6196; 525.6198; 525.62; 525.67; 525.69; and 525.703; proposing new law coded in Minnesota Statutes, Chapter 525; repealing Minnesota Statutes 1980, Section 525.504.

Senate File No. 574 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1981

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 574 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 574: A bill for an act relating to judicial procedures; changing certain provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children; amending Minnesota Statutes 1980, Sections 525.539, by adding a subdivision; 525.54; 525.541; 525.542; 525.543; 525.55; 525.551; 525.5515; 525.56, Subdivisions 3 and 4; 525.58; 525.591, Subdivisions 2 and 3; 525.618, Subdivision 1; 525.6185; 525.619; 525.6192; 525.6196; 525.6198; 525.62; 525.67; 525.69; 525.703; and 540.08; proposing new law coded in Minnesota Statutes, Chapter 525; repealing Minnesota Statutes 1980, Section 525.504.

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	Dicklich	Kroening	Olhoft	Solon
Bang	Dieterich	Kronebusch	Pehler	Spear
Belanger	Engler	Langseth	Penny	Stern
Benson	Frank	Lantry	Peterson, C. C.	Stokowski
Berg	Frederick	Lessard	Peterson, R. W.	Stumpf
Berglin	Frederickson	Lindgren	Petty	Taylor
Bernhagen	Hanson	Luther	Pillsbury	Tennessee
Bertram	Hughes	Menning	Purfeerst	Ulland
Chmielewski	Humphrey	Merriam	Ramstad	Vega
Dahl	Kamrath	Moe, D. M.	Renneke	Waldorf
Davies	Keefe	Moe, R. D.	Rued	Wegener
Davis	Knutson	Nelson	Schmitz	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 House File, herewith transmitted: H. F. No. 990.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 16, 1981

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 990: A resolution memorializing the President and Congress to adopt legislation requiring a health hazard notice be required on all bottles of

alcoholic beverage.

Referred to the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. for the Committee on Rules and Administration, introduced—

Senate Resolution No. 62: 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 72nd Legislature, 1981 session and the convening of the 72nd Legislature, 1982 session.

All Senate records, including committee books, are subject to the direction of the Committee on Rules and Administration.

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 the 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 benefits, and appoint employees and authorize expense reimbursement as it deems proper to carry out the work of the Senate.

The Secretary of the Senate shall classify as "permanent" for purposes of Minnesota Statutes, Sections 3.095 and 43.43 those Senate employees heretofore or hereafter certified as "permanent" by the Committee on Rules and Administration.

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 1981 regular session. He is authorized to employ the necessary employees to prepare for the 1982 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 and answering service not to exceed \$55 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 1981 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 18th day of May, 1981.

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 remodeling and improvement of Senate office space, and shall purchase all supplies, equipment, and other goods and services 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 Chairman.

The Secretary of the Senate shall draw warrants from the legislative expense fund in payment of the accounts herein referred to.

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. Moe, R.D. 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Lantry	Peterson, R. W.	Stern
Bang	Engler	Lessard	Petty	Stokowski
Belanger	Frank	Lindgren	Pillsbury	Stumpf
Benson	Frederick	Luther	Purfeerst	Taylor
Berg	Frederickson	Menning	Ramstad	Tennessee
Berglin	Hanson	Merriam	Renneke	Ulland
Bernhagen	Hughes	Moe, D. M.	Rued	Vega
Bertram	Humphrey	Moe, R. D.	Schmitz	Waldorf
Chmielewski	Kamrath	Nelson	Setzepfandt	Wegener
Dahl	Keefe	Olhoft	Sieloff	Willet
Davies	Knutson	Pehler	Sikorski	
Davis	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	

The motion prevailed. So the resolution was adopted.

RECONSIDERATION

Mr. Spear moved that the vote whereby H. F. No. 295 was passed by the Senate on May 16, 1981, be now reconsidered. The motion prevailed.

H. F. No. 295: A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

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

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

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Spear
Bang	Engler	Langseth	Peterson, R. W.	Stern
Belanger	Frank	Lantry	Petty	Stokowski
Benson	Frederick	Lessard	Pillsbury	Stumpf
Berg	Frederickson	Lindgren	Purfeerst	Taylor
Berglin	Hanson	Luther	Ramstad	Tennessen
Bernhagen	Hughes	Menning	Renneke	Ulland
Bertram	Humphrey	Merriam	Rued	Vega
Brataas	Johnson	Moe, R. D.	Schmitz	Waldorf
Dahl	Kamrath	Nelson	Setzepfandt	Wegener
Davies	Keefe	Olhoff	Sieloff	Willet
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

Mr. Moe, D. M. voted in the negative.

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

CALL OF THE SENATE

Mr. Stern imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

RECONSIDERATION

Mr. Stern moved that the vote whereby S. F. No. 1084 failed to pass the Senate on May 16, 1981, be now reconsidered. The motion prevailed.

S. F. No. 1084: A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1980, Section 340.14, Subdivision 5.

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

The roll was called, and there were yeas 37 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Pillsbury	Stern
Bang	Frederick	Luther	Purfeerst	Stokowski
Belanger	Hanson	Merriam	Ramstad	Stumpf
Berglin	Hughes	Moe, D. M.	Setzepfandt	Tennessen
Brataas	Johnson	Moe, R. D.	Sieloff	Wegener
Dahl	Keefe	Nelson	Sikorski	
Dicklich	Kronebusch	Peterson, R. W.	Solon	
Dieterich	Lantry	Petty	Spear	

Those who voted in the negative were:

Benson	Davis	Kroening	Penny	Ulland
Berg	Frank	Langseth	Peterson, C. C.	Vega
Bernhagen	Frederickson	Lindgren	Renneke	Waldorf
Bertram	Humphrey	Menning	Rued	Willet
Chmielewski	Kamrath	Olhoff	Schmitz	
Davies	Knutson	Pehler	Taylor	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 939 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 939

A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

May 15, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 939, 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. 939 be amended as follows:

Page 4, line 11, reinstate the stricken language and before the reinstated language insert "including"

Page 4, line 14, delete "\$4,000", insert "\$8,000" and after the period, insert "*Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved party may not exceed \$8,000 and in that case if there are two or more respondents the punitive damages shall be apportioned equally among them.*"

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

Senate Conferees: (Signed) Linda Berglin, Donald M. Moe, Randolph W. Peterson

House Conferees: (Signed) Randy W. Staten, Lee Greenfield, Marnie J. Luknic

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on S. F. No. 939 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. 939 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 30 and nays 36, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Luther	Peterson, C.C.	Spear
Dahl	Humphrey	Merriam	Peterson, R.W.	Stern
Davies	Johnson	Moe, D. M.	Petty	Stokowski
Dicklich	Knoll	Moe, R. D.	Purfeerst	Stumpf
Dieterich	Kroening	Nelson	Sikorski	Tennessen
Hanson	Lantry	Penny	Solon	Vega

Those who voted in the negative were:

Ashbach	Chrmielewski	Kronebusch	Pillsbury	Ulland
Bang	Davis	Langseth	Ramstad	Waldorf
Belanger	Engler	Lessard	Renneke	Wegener
Benson	Frank	Lindgren	Rued	Willet
Berg	Frederick	Menning	Schmitz	
Bernhagen	Frederickson	Olhoft	Setzepfandt	
Bertram	Kamrath	Pehler	Sieloff	
Brataas	Keefe	Peterson, D.L.	Taylor	

So the bill, as amended by the Conference Committee, failed to pass.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. moved that the Senate take up the Calendar. The motion prevailed.

CALENDAR

H. F. No. 1210: A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes 1980, Sections 290.971; 290.972; and 290.975.

Was read the third time 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:

Ashbach	Engler	Langseth	Penny	Sieloff
Bang	Frank	Lantry	Peterson, C.C.	Solon
Benson	Frederick	Lessard	Peterson, D.L.	Spear
Berg	Frederickson	Lindgren	Peterson, R.W.	Stern
Bernhagen	Hanson	Luther	Petty	Stokowski
Bertram	Hughes	Menning	Pillsbury	Stumpf
Brataas	Humphrey	Merriam	Purfeerst	Taylor
Dahl	Kamrath	Moe, D. M.	Ramstad	Tennessee
Davies	Keefe	Moe, R. D.	Renneke	Ulland
Davis	Knoll	Nelson	Rued	Vega
Dicklich	Knutson	Olhoft	Schmitz	Waldorf
Dieterich	Kronebusch	Pehler	Setzepfandt	Wegener

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. 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. Rued, Belanger, Bertram, Engler and Menning introduced—

S.F. No. 1447: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protec-

tion of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Benson and Knutson introduced—

S.F. No. 1448: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Belanger, Stern and Bang introduced—

S.F. No. 1449: A bill for an act relating to commerce; revising and modernizing laws relating to hotels; providing for the rights and duties of innkeepers and their guests; prohibiting certain practices; imposing penalties; amending Minnesota Statutes 1980, Section 363.03, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Sections 327.01 to 327.095.

Referred to the Committee on Commerce.

Messrs. Luther, Johnson, Rued, Ulland and Solon introduced—

S.F. No. 1450: A bill for an act relating to snowmobiles; increasing registration fees and appropriating collections for recreational purposes; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3; and 84.83.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S.F. No. 1451: A bill for an act relating to metropolitan government; providing for the establishment and operation of a water planning and management program in the metropolitan area; requiring watershed and local water management plans; establishing a metropolitan water resources advisory board; providing for the establishment and operation of watershed management organizations; establishing a program of planning and capital improvement grants; authorizing county and metropolitan debt; authorizing taxes; amending Minnesota Statutes 1980, Sections 112.35, by adding a subdivision; 112.37, Subdivision 1, and by adding a subdivision; 112.42, Subdivision 3 and by adding subdivisions; 112.43; by adding a subdivision; 112.46; proposing new law coded in Minnesota Statutes, Chapter 473.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, C.C. introduced—

S.F. No. 1452: A bill for an act relating to local water management; establishing a natural resources management fund; providing for duties of counties, cities, towns, watershed districts, and soil and water conservation districts; appropriating money; amending Minnesota Statutes 1980, Sections 40.03, Subdivision 4; 40.036, by adding a subdivision; 40.07, Subdivision 9, and by adding a subdivision; 40.072, by adding a subdivision; 106.021,

Subdivisions 3 and 6, and by adding a subdivision; 112.39, Subdivision 3, and by adding a subdivision; 112.411, Subdivision 1, and by adding a subdivision; 112.43, Subdivision 1, and by adding subdivisions; 112.46; 112.47; 378.31, Subdivision 2; and 459.20; proposing new law coded as Minnesota Statutes, Chapter 105A.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davies introduced—

S.F. No. 1453: A bill for an act relating to Special School District No. 1 of the city of Minneapolis; providing for alley system of electing members of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 3, as amended.

Referred to the Committee on Elections and Reapportionment.

Mr. Sieloff introduced—

S.F. No. 1454: A bill for an act relating to taxation; providing a homestead rebate; repealing the homestead credit; appropriating money; amending Minnesota Statutes 1980, Sections 273.13, Subdivisions 6, 6a, 7, 14a, and 16; 273.135, Subdivision 5; 290A.03, Subdivision 13; 290A.04, Subdivisions 2 and 3, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 273.13, Subdivision 15a.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederickson, Spear, Renneke, Mrs. Lantry and Mr. Kamrath introduced—

S.F. No. 1455: A bill for an act relating to retirement; including employees at the state ceremonial building in the unclassified employees plan; amending Minnesota Statutes 1980, Section 352D.02, Subdivision 1.

Referred to the Committee on Public Employees and Pensions.

Mr. Stumpf introduced—

S.F. No. 1456: A bill for an act relating to driver licensing; requiring certain reports to be made to the commissioner of public safety; making insurance coverage inapplicable in certain instances; proposing new law coded in Minnesota Statutes, Chapters 65B and 171.

Referred to the Committee on Transportation.

Messrs. Davies and Peterson, R. W. introduced—

S.F. No. 1457: A bill for an act relating to highway traffic regulations; providing for administrative driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; authorizing revocations prior to judicial review; revising the procedure for hearings and appeals on administrative revocations; authorizing introduction into evidence certain peace officer records and reports; amending Minnesota Statutes 1980, Section 169.123, Subdivisions 5, 5a, 6, 7, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Davies introduced—

S.F. No. 1458: A bill for an act relating to courts; authorizing the awarding of costs and disbursements, witness fees and attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1980, Section 549.21.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 1459: A bill for an act relating to the hospitalization and commitment of persons who are mentally ill, mentally ill and dangerous, mentally deficient, or inebriate; providing for informal hospitalization by consent, involuntary emergency hospitalization and for involuntary commitment by civil judicial procedures; providing for rights of persons hospitalized under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening prior to filing a petition for commitment; providing for commitment hearings and procedures in conformance with due process; requiring a final hearing within 60 days before final determination of commitment; providing for commitment for determinate periods; providing for provisional discharge and partial hospitalization; requiring special review boards for mentally ill and dangerous and psychopathic personalities; establishing review boards for civilly committed persons; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 253A; repealing Minnesota Statutes 1980, Sections 253A.01 to 253A.21.

Referred to the Committee on Judiciary.

Mr. Engler introduced—

S.F. No. 1460: A bill for an act relating to safety; imposing an additional registration tax on motorcycles for motorcycle safety education programs; providing for the disposition of the proceeds of the additional tax; prescribing duties of commissioner of education; appropriating money; amending Minnesota Statutes 1980, Section 168.013, Subdivisions 1b and 8; proposing new law coded in Minnesota Statutes, Chapter 126.

Referred to the Committee on Transportation.

Messrs. Olhoft, Sieloff, Merriam, Lessard and Kroening introduced—

S.F. No. 1461: A bill for an act relating to tort actions; prohibiting the causes of action for wrongful life and wrongful birth; prohibiting a defense, an award of damages, or a penalty based on the failure or refusal to prevent a live birth; proposing new law coded in Minnesota Statutes, Chapter 145.

Referred to the Committee on Judiciary.

Messrs. Kroening, Frederickson, Knoll, Frank and Ashbach introduced—

S.F. No. 1462: A bill for an act relating to occupations and professions; providing for the licensing of burglar alarm contractors; requiring the commissioner of public safety to promulgate rules establishing performance and maintenance standards for burglar alarms; prescribing penalties; appropriating money; amending Minnesota Statutes 1980, Section 326.338, Subdivision 3;

proposing new law coded in Minnesota Statutes, Chapter 326.

Referred to the Committee on Commerce.

Messrs. Frank, Pehler, Luther and Keefe introduced—

S.F. No. 1463: A bill for an act relating to local government; enlarging the class of cities that may maintain cable television systems; clarifying the description of a system; removing a debt limit; amending Minnesota Statutes 1980, Section 465.70.

Referred to the Committee on Commerce.

Mr. Bertram, Mrs. Kronebusch and Mr. Rued introduced—

S.F. No. 1464: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Mrs. Kronebusch, Messrs. Belanger, Rued, Bertram and Olhoft introduced—

S.F. No. 1465: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Kamrath, Rued and Menning introduced—

S.F. No. 1466: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Berg, Bernhagen, Engler and Rued introduced—

S.F. No. 1467: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Humphrey introduced—

S.F. No. 1468: A bill for an act relating to corrections; providing funds for a Hennepin County work-study release facility; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Renneke, Benson and Frederickson introduced—

S.F. No. 1469: A resolution memorializing the United States Congress

relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schmitz introduced—

S.F. No. 1470: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Frederickson, Belanger, Renneke and Kamrath introduced—

S.F. No. 1471: A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Peterson, C.C. introduced—

S.F. No. 1472: A bill for an act relating to taxation; providing for the valuation of income producing property; amending Minnesota Statutes 1980, Section 273.12.

Referred to the Committee on Taxes and Tax Laws.

RECESS

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

H. F. No. 1143: Messrs. Dieterich, Pillsbury and Merriam.

S. F. No. 537: Messrs. Purfeerst, Belanger and Schmitz.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 635 a Special Order to be heard immediately.

S. F. No. 635: A bill for an act relating to taxation; imposing certain requirements and restrictions on the use of tax increment financing; amending Minnesota Statutes 1980, Sections 124.212, Subdivision 10; 273.73, Subdivisions 10 and 13; 273.74, Subdivisions 1, 2, 3, and 4, and by adding subdivisions; 273.75, Subdivisions 3, 4 and 6, and by adding a subdivision; 273.76, Subdivision 4; and 273.77.

Mr. Frederickson moved to amend S.F. No. 635 as follows:

Page 8, line 3, after "less" insert "if the expenditure is in excess of \$500,000; 10 percent if that amount is more than \$300,000 but less than or equal to \$500,000; 12 percent if that amount is more than \$100,000 but less than or equal to \$300,000; and 15 percent if that amount is \$100,000 or less"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Hanson imposed a call of the Senate for the proceedings on S. F. No. 635. The Sergeant at Arms was instructed to bring in the absent members.

S. F. No. 635 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 18 and nays 43, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Menning	Peterson, R. W.	Tennesen
Dahl	Johnson	Merriam	Sieloff	Waldorf
Davies	Kroening	Olhoft	Spear	
Dieterich	Luther	Peterson, C. C.	Stumpf	

Those who voted in the negative were:

Ashbach	Dicklich	Knoll	Pehler	Setzepfandt
Bang	Engler	Knutson	Penny	Stern
Belanger	Frank	Kronebusch	Peterson, D. L.	Stokowski
Benson	Frederick	Langseth	Petty	Taylor
Berg	Frederickson	Lantry	Pillsbury	Ulland
Bernhagen	Hanson	Lindgren	Ramstad	Vega
Bertram	Humphrey	Moe, D. M.	Renneke	Wegener
Brataas	Kamrath	Moe, R. D.	Rued	
Davis	Keefe	Nelson	Schmitz	

So the bill, as amended, failed to pass.

RECONSIDERATION

Mr. Hanson moved that the vote whereby S. F. No. 635 failed to pass the Senate on May 18, 1981, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 31 and nays 32, as follows:

Those who voted in the affirmative were:

Berg	Hughes	Menning	Peterson, R. W.	Ulland
Berglin	Johnson	Merriam	Setzepfandt	Vega
Dahl	Keefe	Moe, R. D.	Sieloff	Waldorf
Davies	Kroening	Nelson	Sikorski	
Dicklich	Langseth	Olhoft	Spear	
Dieterich	Lindgren	Pehler	Stumpf	
Hanson	Luther	Peterson, C. C.	Tennesen	

Those who voted in the negative were:

Ashbach	Davis	Knoll	Peterson, D.L.	Stern
Bang	Engler	Knutson	Petty	Stokowski
Belanger	Frank	Kronebusch	Pillsbury	Taylor
Benson	Frederick	Lantry	Ramstad	Wegener
Bernhagen	Frederickson	Lessard	Renneke	
Bertram	Humphrey	Moe, D. M.	Rued	
Brataas	Kamrath	Penny	Schmitz	

The motion did not prevail.

RECONSIDERATION

Mr. Frank moved that the vote whereby S. F. No. 939 failed to pass the Senate on May 18, 1981, be now reconsidered. The motion prevailed.

RECONSIDERATION

Having voted on the prevailing side, Ms. Berglin moved that the vote whereby the recommendations and Conference Committee Report on S. F. No. 939 were adopted on May 18, 1981, be now reconsidered. The motion prevailed.

Ms. Berglin moved that S. F. No. 939 be re-referred to the Conference Committee as formerly constituted for further consideration. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1132 a Special Order to be heard immediately.

H. F. No. 1132: A bill for an act relating to the revenue recapture act; expanding the definition of claimant agencies to include counties and state district courts; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivisions 2 and 5.

Mr. Johnson moved to amend H. F. No. 1132, the unofficial engrossment, as follows:

Page 3, line 30, delete "as follows" and insert "is amended to read"

Page 25, line 7, delete "Sections 16 to 23"

Page 25, delete lines 8 to 11 and insert "*Sections 16 to 19 are effective for cigarettes and tobacco products sold, used or consumed in this state after the date of final enactment of this act. Section 20 is effective for sales made after May 31, 1981. Sections 21 to 23 are effective for liquor, wine and fermented malt beverages sold after May 31, 1981.*"

The motion prevailed. So the amendment was adopted.

Mr. Dicklich moved to amend H.F. No. 1132, the unofficial engrossment, as follows:

Page 3, line 29, delete "as added in"

Page 3, line 30, delete "as follows" and insert "is amended to read"

Page 25, line 6, before the period, insert "*notwithstanding that House File*

No. 70 may be enacted at a later date than this act"

Page 25, line 6, after the period, insert "*Sections 7, 8, 9, and 11 supersede the law enacted at the 1981 regular session styled as House File No. 1446, Article II, Sections 26, 27, 28, and 2, Subdivision 1, respectively, notwithstanding that House File No. 1446 may be enacted at a later date than this act.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 1132 was then progressed.

RECESS

Mr. Moe, R.D. 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. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Ms. Berglin moved that the following members be excused for a Conference Committee on S. F. No. 368:

Ms. Berglin, Messrs. Humphrey and Belanger. The motion prevailed.

Pursuant to Rule 21, Mr. Menning moved that the following members be excused for a Conference Committee on H. F. No. 1475 at 1:00 p.m.:

Messrs. Luther, Menning, Purfeerst, Ashbach and Willet. The motion prevailed.

The question recurred on H. F. No. 1132.

Mr. Hughes moved to amend H. F. 1132, the unofficial engrossment, as follows:

Page 24, after line 29, insert:

"Sec. 24. A law enacted at the 1981 regular session styled as House File No. 70, Article I, Section 45, is amended to read:

Sec. 45. [LEVY ADJUSTMENTS.]

In 1981, the maximum levy limitation under Minnesota Statutes, Section 275.125, Subdivision 2a or 2e, as applicable, for each district shall be reduced by any difference between the amount of the basic maintenance levy certified by the district in 1980 and the amount of the 1980 basic maintenance levy limitation which would have been computed for the district using a formula allowance of ~~\$1,318~~ \$1,338."

Renumber the sections in sequence

Page 24, line 31, delete "Section 5 is" and insert "Sections 5 and 24 of this act are"

Page 25, line 3, delete "and 6" and insert ", 6 and 24"

Page 25, line 4, delete ", and" and insert a semicolon

Page 25, line 4, after "11" delete the comma and insert "; and Article I, Section 45,"

Amend the title as follows:

Page 1, line 18, after the semicolon, insert "H. F. No. 70, Article I, Section 45;"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Ashbach imposed a call of the Senate for the proceedings on H. F. No. 1132. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Ashbach moved to amend H.F. No. 1132, the unofficial engrossment, as follows:

Page 12, line 2, after the period, insert "*Expenditures from the general fund shall be reduced by at least \$40,000,000 under the provisions of this section.*"

Pages 15 to 22, delete section 20

Page 25, line 7, delete "23" and insert "22"

Page 25, line 8, after "*cigarettes*" delete the comma and insert "*and*" and delete "*candy, and*"

Page 25, line 9, delete "*beverages sold,*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete everything after the semicolon

Page 1, line 10, delete "drinks;"

Page 1, line 15, delete "297A.25, Subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 44, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Kamrath	Peterson, D.L.	Sieloff
Bang	Brataas	Keefe	Pillsbury	Taylor
Belanger	Engler	Knutson	Ramstad	Ulland
Benson	Frederick	Kronebusch	Renneke	
Berg	Frederickson	Lindgren	Rued	

Those who voted in the negative were:

Berglin	Hanson	Luther	Peterson, C. C.	Stern
Bertram	Hughes	Menning	Peterson, R. W.	Stokowski
Chmielewski	Humphrey	Merriam	Petty	Stumpf
Dahl	Johnson	Moe, D. M.	Purfeerst	Tennessee
Davies	Knoll	Moe, R. D.	Schmitz	Vega
Davis	Kroening	Nelson	Setzepfandt	Waldorf
Dicklich	Langseth	Olhoft	Sikorski	Wegener
Dieterich	Lantry	Pehler	Solon	Willet
Frank	Lessard	Penny	Spear	

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

H. F. No. 1132 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 motion did not prevail.

Mr. Ashbach moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 57 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Frank	Lantry	Peterson, C. C.	Stern
Benson	Frederick	Lessard	Peterson, D. L.	Stokowski
Berglin	Frederickson	Lindgren	Peterson, R. W.	Stumpf
Bernhagen	Hanson	Luther	Petty	Taylor
Bertram	Hughes	Menning	Purfeerst	Tennessee
Brataas	Humphrey	Merriam	Ramstad	Vega
Chmielewski	Johnson	Moe, D. M.	Renneke	Waldorf
Dahl	Keefe	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzepfandt	Willet
Davis	Knutson	Olhoft	Sikorski	
Dicklich	Kroening	Pehler	Solon	
Dieterich	Langseth	Penny	Spear	

Those who voted in the negative were:

Bang	Berg	Kamrath	Pillsbury	Sieloff
Belanger	Engler	Kronebusch	Rued	Ulland

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1474 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1474 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1474

A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

May 18, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1474, 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. 1474 be amended as follows:

Delete everything after the enacting clause and insert:

Section 1. [PUBLIC LAND AND BUILDINGS; APPROPRIATIONS.] The sums set forth in the column designated "APPROPRIATIONS" are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

SUMMARY

EDUCATION	\$14,145,300
STATE UNIVERSITIES	1,621,000
COMMUNITY COLLEGES	620,000
UNIVERSITY OF MINNESOTA	38,057,100
BOND SALE EXPENSES	50,000
TOTAL	54,493,400
Building Fund	54,493,400

APPROPRIATIONS

Sec. 2. [EDUCATION.]

Subdivision 1. To the state board of education for post-secondary vocational-technical construction in the school districts listed in this subdivision

14,145,300

Independent School District No. 241,
Albert Lea 253,000

The total cost of the project shall not exceed \$297,000 whether paid from state, local, or federal money.

Independent School District No. 31,
Bemidji 654,500

The total cost of the construction shall not exceed \$770,000, whether paid from state, local, or federal money.

Independent School District No. 917,
 Dakota County 300,000

The total cost of the construction shall not exceed \$352,000, whether paid from state, local, or federal money.

Independent School District No. 22,
 Detroit Lakes 318,700

The total cost of the construction shall not exceed \$375,000, whether paid from state, local, or federal money.

Independent School District No. 595,
 East Grand Forks 680,000

The total cost of the construction shall not exceed \$800,000, whether paid from state, local, or federal money.

Independent School District No. 894,
 Granite Falls 362,000

The total cost of the construction shall not exceed \$425,900, whether paid from state, local, or federal money.

Independent School District No. 324,
 Jackson 234,000

The total cost of the construction shall not exceed \$275,000, whether paid from state, local, or federal money.

Independent School District No. 77,
 Mankato 234,000

This appropriation is for construction at the main campus of the Mankato Area Vocational Technical Institute.

The total cost of the project shall not exceed \$275,000, whether paid from state, local, or federal money.

Independent School District No. 916 203,000

The local portion of the cost of this project is \$87,000.

The total cost of the construction shall not exceed \$290,000, whether paid from state, local, or federal money.

Independent School District No. 152,
 Moorhead 202,000

The total cost of the construction shall not exceed \$237,400, whether paid from state, local, or federal money.

Independent School District No. 742,
 St. Cloud 1,100,000

The local portion of the cost of this project shall be a minimum of \$194,000 and a maximum of \$900,000. The total cost of the project shall not exceed \$2,000,000, whether paid from state, local, or federal money.

Independent School District No. 625,
St. Paul 3,825,000

This appropriation is for a construction project on the grounds of the main campus of the St. Paul Technical Vocational Institute.

The total cost of the project shall not exceed \$4,500,000, whether paid from state, local, or federal money.

Independent School District No. 793,
Staples 3,059,000

This amount shall not be paid unless the district, with the approval of the voters as provided in Minnesota Statutes, Chapter 475, finances \$741,000 of the cost of the post-secondary vocational-technical construction project approved in this clause through the issuance of local bonds.

Notwithstanding the provisions of Minnesota Statutes, Section 124.564, starting in fiscal year 1983, the district shall not receive post-secondary vocational debt service aid for the state portion of debt service costs with respect to bonds issued in 1960 and that portion of bonds issued in 1969 and in 1971 to finance the "South Campus" post-secondary vocational-technical wing of the district's high school building and interest thereon, but instead, starting with the levy certified in 1981, shall provide fully for the payments due on these bonds and interest thereon through local tax levies as provided in Minnesota Statutes, Chapter 475.

The total cost of the new construction project shall not exceed \$3,849,100, whether paid from state, local, or federal money.

Joint Independent School District
No. 287, Suburban Hennepin 1,533,900

The local portion of the cost of this project shall be a minimum of \$655,200 and a maximum of \$1,210,100. The total cost of the project including money from post-secondary vocational, secondary vocational, and special education services shall not exceed \$2,744,000, whether paid from state, local, or federal money.

Independent School District No. 819,
Wadena 698,300

The local portion of the cost of this project shall be a minimum of \$121,500 and a maximum of \$253,900. The total cost of the project shall not exceed \$952,200, whether paid from state, local, or federal money.

Independent School District No. 347,
Willmar 187,900

The total cost of the construction shall not exceed \$221,000, whether paid from state, local, or federal money.

Independent School District No. 861,
Winona 300,000

The local portion of this project shall be a minimum of \$53,000 and a maximum of \$1,000,000. The total cost of the construction shall not exceed \$1,300,000, whether paid from state, local, or federal money.

Subd. 2. The Minneapolis area vocational-technical institute shall provide temporary space for the Minneapolis community college during the period in which the college is undergoing construction.

Sec. 3. [STATE UNIVERSITIES.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section 1,621,000

Subd. 2. Winona Campus

Rehabilitate Somsen Hall 700,000

This appropriation is for the following projects:

- (1) Replace windows 399,000
- (2) Install elevator 225,000
- (3) Architect fees and other related expenses 76,000

The state university board may transfer amounts among clauses (1) to (3) as needed.

Subd. 3. Moorhead Campus

Rehabilitate Lommen Hall 800,000

Subd. 4. Mankato Campus

Improve heating, ventilation, and air conditioning at Armstrong Hall 121,000

Sec. 4. [COMMUNITY COLLEGES.]

Subdivision 1. To the commissioner of administration for the purposes more specifically

described in the following subdivisions of this section	620,000
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Subd. 2. Preparation of plans for expansion of college center, and physical education classroom facilities at Vermillion and Rainy River community colleges	120,000
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Subd. 3. Roof replacement, construct roads and parking lots	500,000
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 Sec. 5. [UNIVERSITY OF MINNESOTA.]

Subdivision 1. To the regents of the university of Minnesota for the purposes more specifically described in the following subdivisions of this section	38,057,100
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Subd. 2. Minneapolis Campus	18,284,000
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(a) Construct two interconnected buildings on the West Bank to serve the needs of the Hubert H. Humphrey Institute and the College of Business Administration	16,484,000
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\$480,000 of this appropriation is for planning and working drawings for the Hubert H. Humphrey Institute. Upon completion of the working drawings, the regents shall report to the house appropriations and senate finance committees on the progress and cost of the project.

The two buildings shall be designed and constructed in a manner which avoids duplication between facilities and duplication of existing facilities. The buildings shall maximize access and sharing of facilities common to both programs. Construction of either facility may commence following completion of working drawings. The total cost shall not exceed \$16,484,000. This total amount is less than the amount requested by the regents. The regents shall apportion the reduction to each of the buildings in proportion to the number of gross square feet in the regents' request for the two buildings.

(b) Complete basement space in Kolthoff Hall	900,000
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(c) Prepare working drawings for remodeling Smith Hall	900,000
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The total cost of this project shall not exceed \$22,000,000.

Subd. 3. St. Paul Campus	17,300,000
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Construct agronomy and plant genetics, plant pathology, and soil science building

Subd. 4. Duluth Campus	851,000
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(a) Construct greenhouse	319,000
(b) Business building remodeling	532,000
Subd. 5. Morris Campus Remodel Behmler Hall	320,000
Subd. 6. Waseca Campus	551,000
Construct livestock laboratory and holding facility	
Subd. 7. Crookston Campus	52,800
Prepare plans for Owen hall remodeling	
Subd. 8. Southern Experiment Station - Waseca	184,800
Construct dairy heifer facility	
This building is considered an agricultural building and is exempt from the provisions of the state designer selection board and the state building code relating to public buildings.	
Subd. 9. The Northwest Experiment Station - Crookston	20,000
Construct chemical storage facility	
Subd. 10. Southwest Experiment Station - Lamberton	154,500
Construct a field laboratory and addition to plot building	
Subd. 11. North Central Experiment Station - Grand Rapids	
The board of regents is authorized to purchase, using nonstate funds only, a 39 acre parcel of land near the North Central Experiment Station at Grand Rapids.	
Subd. 12. Hormel Institute	339,000
Completion and equipping of animal research facility	

Sec. 6. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale
expenses pursuant to Minnesota Statutes, Sec-
tion 16A.64, Subdivision 4.

50,000

Sec. 7. [BOND SALE; DEBT SERVICE.] *To provide the money appro-
priated in this act from the state building fund the commissioner of finance
upon request of the governor shall sell and issue bonds of the state in an
amount up to \$54,495,000 in the manner, upon the terms, and with the effect
prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67 and by the
Constitution, Article XI, Sections 4 to 7.*

Sec. 8. [CONSULTATION REQUIRED.] *No land shall be purchased and
no buildings shall be purchased, constructed, or erected on lands of the
university of Minnesota until the regents have first consulted with the chairman
of the senate finance committee and the chairman of the house appropriations*

committee and obtained their recommendations, which are advisory only.

Sec. 9. [REVIEW OF PLANS.] *The commissioner of administration and the board of regents of the university of Minnesota shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

Sec. 10. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.] *Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration and the board of regents of the university of Minnesota as to appropriations made to them may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioner of administration and the board of regents of the university of Minnesota shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.*

Sec. 11. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.] *The commissioner of administration and the board of regents of the university of Minnesota shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration and the board of regents, as appropriate, have consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

Sec. 12. [METHODS OF ACQUISITION.] *Where money has been appropriated by this act to the commissioner of administration to acquire lands or sites for public buildings or real estate, acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings shall be pursuant to chapter 117.*

Sec. 13. [121.2155] [VOCATIONAL-TECHNICAL BUILDING APPROPRIATIONS.]

Money appropriated from the state building fund to the state board of education for post-secondary vocational-technical construction in school districts shall be used for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area vocational-technical institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary vocational-technical school, unless otherwise provided by the specific legislative act. No local bonds shall be authorized, issued, or sold, nor

shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 14. [EFFECTIVE DATE.]

This act is effective the day following final enactment.

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

House Conferees: (Signed) Michael R. Sieben, Lyndon R. Carlson, Richard J. Welch, Bruce G. Nelson, Wendell O. Erickson

Senate Conferees: (Signed) Tom A. Nelson, Timothy J. Penny, Gerald L. Willet, John B. Keefe, Peter P. Stumpf

CALL OF THE SENATE

Mr. Nelson imposed a call of the Senate for the proceedings on H. F. No. 1474. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1474 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. 1474 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 61 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, C. C.	Stern
Belanger	Engler	Lantry	Peterson, D. L.	Stokowski
Benson	Frank	Lessard	Peterson, R. W.	Stumpf
Berg	Frederick	Lindgren	Petty	Taylor
Berglin	Frederickson	Luther	Pillsbury	Ulland
Bernhagen	Hanson	Menning	Purfeerst	Vega
Bertram	Hughes	Merriam	Ramstad	Waldorf
Brataas	Humphrey	Moe, D. M.	Renneke	Wegener
Chmielewski	Johnson	Moe, R. D.	Rued	Willet
Dahl	Keefe	Nelson	Schmitz	
Davies	Knoll	Olhoft	Setzpfandt	
Davis	Kroening	Pehler	Sikorski	
Dicklich	Kronebusch	Penny	Solon	

Those who voted in the negative were:

Bang	Kamrath	Sieloff	Spear	Tennessen
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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 has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following

Senate File:

S. F. No. 537: A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

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

Mehrkens, Dahlvang and Pogemiller.

Senate File No. 537 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee on:

S. F. No. 452: A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

The House has appointed to such committee: Sarna; Clark, K. and Dean.

Senate File No. 452 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 818: A bill for an act relating to game and fish; increasing the amount set aside from any increased deer license fees for deer habitat improvement; restricting the taking of bear to adult bear; amending Minnesota Statutes 1980, Sections 97.49, Subdivision 1a; and 100.27, Subdivision 2.

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

Reding, Battaglia and Drew.

Senate File No. 818 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 31 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 31: A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

Senate File No. 31 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 697 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 697 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 697

A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

May 16, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 697, 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. 697 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 500.221, is amended to read:

500.221 [RESTRICTIONS ON ACQUISITION OF TITLE.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, “agricultural land” means land capable of use in the production of agricultural crops, livestock or livestock products, poultry or poultry products, milk or dairy products, or fruit and other horticultural products but does not include any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use. For the purposes of this section, “interest in agricultural land” includes any leasehold interest. *For the purposes of this section, a “permanent resident alien of the United States” is a natural person who has been lawfully admitted to the United States for permanent residence and in fact maintains his principal, actual dwelling place within the United States for at least six months out of every consecutive 12 month period without regard to intent. For the purposes of this section, “commissioner” means the commissioner of agriculture.*

Subd. 1a. [DETERMINATION OF ALIEN STATUS.] An alien who has been physically absent from the United States for more than six months out of any 12 month period shall be presumed not to be a permanent resident alien.

Every permanent resident alien of the United States who owns property subject to this section shall annually, at some time during the month of January, file with the commissioner a statement setting forth the dates and places of that person's residence in the United States during the prior calendar year. The statement shall include an explanation of absences totaling more than six months during the prior calendar year and any facts which support the continuation of permanent resident alien status. Upon receipt of the statement, the commissioner shall have 30 days to review the statement and notify the resident alien whether the facts support continuation of the permanent resident alien status.

Subd. 2. [ALIENS AND NON-AMERICAN CORPORATIONS.] Except as hereinafter provided, no natural person shall ~~hereafter~~ acquire directly or indirectly any interest in agricultural land unless ~~he be the person~~ is a citizen of the United States or a permanent resident alien of the United States ~~and~~. In addition to the restrictions in section 500.24, no corporation, partnership, limited partnership, trustee, or other business entity shall ~~hereafter~~, directly or indirectly, acquire or otherwise obtain any interest, whether legal, beneficial or otherwise, in any title to agricultural land unless at least 80 percent of each class of stock issued and outstanding or 80 percent of the ultimate beneficial interest of ~~such~~ the entity is held directly or indirectly by citizens of the United States or permanent resident aliens. This section shall not apply:

(1) to agricultural land that may be acquired by devise, inheritance, as security for indebtedness, by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise; ~~provided, that~~. All agricultural land ~~so~~ acquired in the collection of debts or by the enforcement of a lien or claim shall be disposed of within three years after acquiring ownership. ~~Further, the provisions of this section shall not apply;~~

(2) to citizens or subjects of a foreign country whose rights to hold land are secured by treaty ~~or~~;

(3) to lands used for transportation purposes by a common carrier, as defined in section 218.011, subdivision 2, ~~or~~;

(4) to 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~~ the land may not be used for farming except under lease to a family farm, a family farm corporation or an authorized farm corporation. ~~Further, the provisions of this section shall not apply; and~~

(5) to agricultural land operated for research or experimental purposes; ~~provided that~~ if the ownership of the agricultural land ~~shall be~~ is incidental to the research or experimental objectives of the person or business entity; and ~~provided that~~ the total acreage owned by the person or business entity does not exceed the acreage owned on May 27, 1977.

Subd. 2a. [LOSS OF EXEMPT STATUS.] *If any person or business entity acquires an interest in agricultural land as permitted by subdivision 2 and thereafter ceases to be a person or entity qualified to acquire an interest in agricultural land as permitted by subdivision 2 by reason of the loss of citizenship or permanent residence status or the loss of citizenship or permanent*

residence status of its shareholders or the holders of ultimate beneficial interests, the person or entity shall:

(a) Notify the commissioner within 30 days of the loss of qualification and file a report with the commissioner of agriculture giving a description of all agricultural land owned by the person or entity within the state, the date upon which the land was acquired, the date upon which the person or entity ceased to be qualified, and other information reasonably required by the commissioner;

(b) Divest itself of any agricultural land acquired after May 27, 1981 within one year of the date upon which the person or entity ceased to be qualified;

(c) Report the divestiture to the commissioner of agriculture within 90 days after it occurs;

(d) Make other reports as the commissioner may reasonably require; and

(e) Continue to file periodic reports as required by subdivision 4 with respect to any land acquired on or before May 27, 1977.

Subd. 2b. [INVESTIGATION BY COMMISSIONER.] The commissioner, upon the request of any person or upon receipt of any information which leads him to believe that a violation of this section may exist, may issue subpoenas requiring the appearance of witnesses, the production of relevant records and the giving of relevant testimony. If, as a result of his investigation, the commissioner concludes that a violation of this section may have occurred, he shall provide the landowner or his designee with the opportunity to meet with the commissioner or his designee in the county where the land is located to exchange information relating to the compliance with this section and any necessity for divestiture. The commissioner shall have the power to issue additional subpoenas for the meeting. The landowner and any person subpoenaed by the commissioner may be represented by counsel. Notwithstanding the provisions of chapter 15, the preliminary investigation and the meeting do not constitute a contested case hearing.

Subd. 3. [ENFORCEMENT.] If, after investigation, the attorney general commissioner has reason to believe that any person is violating subdivision 2 this section, he shall commence an action in the district court in which any agricultural land relative to the violation is situated, or if situated in two or more counties, in any county in which a substantial part of the land is situated. The attorney general commissioner shall file for record with the county recorder or the registrar of titles of each county in which any portion of said the land is located a notice of the pendency of the action as provided in section 557.02. If the court finds that the land in question is being held in violation of subdivision 2, it shall enter an order so declaring. The attorney general commissioner shall file for record any such order with the county recorder or the registrar of titles of each county in which any portion of said the land is located. Thereafter, the natural person, corporation, partnership, limited partnership, trustee or other business entity, owning such land shall have a period of one year from the date of the order to divest itself of the lands. The aforementioned one year limitation period shall be deemed a covenant running with the title to the land against any grantee or assignee or successor corporation or any non-corporation entity acting as agent, assignee, or successor on behalf of a corporation. Any land not so divested within the time prescribed shall be sold

at public sale in the manner prescribed by law for the foreclosure of a mortgage by action. ~~In addition, any prospective or threatened violation may be enjoined by an action brought by the attorney general in the manner provided by law.~~ No title to land shall be invalid or subject to forfeiture by reason of the alienage of any former owner or person having a former interest therein.

Subd. 3a. [INJUNCTION.] The commissioner may seek injunctive relief whenever a violation of this section is threatened.

Subd. 3b. [AGREEMENT.] The commissioner is authorized to enter into a written agreement in settlement of any alleged violation, whether or not a hearing is held on the violation. An agreement may provide for an extension of the time period for divestiture but shall not include a waiver of a divestiture required by this section. The agreement shall be construed as a "No Contest" pleading and may include any sanctions, penalties, or affirmative actions which are mutually satisfactory and are consistent with this section. The agreement shall be final and conclusive with respect to the action, except upon a showing of fraud, malfeasance, or misrepresentation of a material fact. The matter agreed upon shall not be reopened or modified by an officer, employee, or agent of the state. The agreement shall be filed in Ramsey county district court and shall be enforceable by it or the district court of the county in which the person resides or principally does business. Any violator of an agreement may, after notice is given to the alleged violator and a hearing is held, be punished by the district court as for contempt, in addition to other remedies in this section.

Subd. 4. [REPORTS.] Any natural person, corporation, partnership, limited partnership, trustee, or other business entity prohibited from future acquisition of agricultural land may retain title to any agricultural land lawfully acquired within this state ~~acquired~~ prior to ~~May 27, 1977~~ June 1, 1981, but it shall file a report with the commissioner of agriculture ~~within 90 days after May 27, 1977 and annually before April 15 thereafter,~~ January 31 containing a description of all agricultural land held within this state, the purchase price and market value of the land, the use to which it is put, the date of acquisition and any other reasonable information required by the commissioner. The commissioner shall make the information available to the public. All required annual reports shall include a filing fee of \$35.

Subd. 5. [PENALTY.] Willful failure to properly register any parcel of land as required by subdivision 4 is a gross misdemeanor. Each full month of failure to register is a separate offense.

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

House Conferees: (Signed) LeRoy Stumpf, Bruce Anderson, Elton R. Redalen

Senate Conferees: (Signed) Marv Hanson, Gregory Dahl, Darrel L. Peterson

Mr. Hanson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 697 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. 697 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 24, as follows:

Those who voted in the affirmative were:

Benson	Engler	Lantry	Olhoft	Schmitz
Berg	Frederickson	Lessard	Pehler	Setzepfandt
Bernhagen	Hanson	Lindgren	Penny	Sikorski
Bertram	Humphrey	Luther	Peterson, C.C.	Stern
Chmielewski	Johnson	Menning	Peterson, D.L.	Taylor
Dahl	Kroening	Merriam	Peterson, R.W.	Waldorf
Davies	Kronebusch	Moe, R. D.	Purfeerst	Wegener
Davis	Langseth	Nelson	Renneke	Willet

Those who voted in the negative were:

Ashbach	Dicklich	Keefe	Pillsbury	Stumpf
Bang	Dieterich	Knoll	Ramstad	Tennessee
Belanger	Frank	Knutson	Sieloff	Ulland
Berglin	Hughes	Moe, D. M.	Spear	Vega
Brataas	Kamrath	Petty	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. 817, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 817 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 817

A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

May 16, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 817, 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. 817 be further amended as follows:

Page 2, line 16, after "limited" insert ", provided that programs or events are provided for each sex to the extent the educational institution or public

service determines that these programs or events are necessary to accommodate the demonstrated interest of each sex to participate in wrestling”

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

House Conferees: (Signed) Jerry E. Schoenfeld, Leo J. Reding, John L. Weaver

Senate Conferees: (Signed) Clarence M. Purfeerst, Allan H. Spear, Nancy Brataas

Mr. Purfeerst moved that the foregoing recommendations and Conference Committee Report on H. F. No. 817 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. 817 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:

Ashbach	Dieterich	Langseth	Peterson, D.L.	Stokowski
Bang	Engler	Lantry	Peterson, R.W.	Stumpf
Benson	Frank	Lessard	Petty	Taylor
Berg	Frederickson	Lindgren	Pillsbury	Tennesen
Bernhagen	Hanson	Luther	Ramstad	Vega
Bertram	Hughes	Menning	Renneke	Waldorf
Brataas	Johnson	Moe, R. D.	Schmitz	Wegener
Chmielewski	Kamrath	Nelson	Setzepfandt	Willet
Dahl	Keefe	Olhoff	Sieloff	
Davies	Knutson	Pehler	Solon	
Davis	Kroening	Penny	Spear	
Dicklich	Kronebusch	Peterson, C.C.	Stern	

Mr. Ulland 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. 769 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 769 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 769

A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the

purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

May 16, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 769, 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. 769 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 174.50, is amended by adding a subdivision to read:

Subd. 1a. An additional need of the state transportation system is the acquisition and betterment of rail lines and right-of-way for preservation in the state rail bank as provided in section 222.63.

Sec. 2. Minnesota Statutes 1980, Section 222.49, is amended to read:

222.49 [RAIL SERVICE IMPROVEMENT ACCOUNT.]

The rail service improvement account is created in the special revenue fund in the state treasury. The commissioner shall deposit in *this account* all money appropriated to or received by the department for the purpose of rail service improvement, including federal money, ~~in this account~~ but excluding proceeds of state bonds or other funds appropriated to the commissioner from the state transportation fund for the acquisition or betterment of property pertaining to the state rail bank established by section 222.63, and excluding income of the state rail bank and any other funds appropriated for its maintenance or improvement. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable state and federal law. This appropriation shall not lapse but shall be available until the purpose for which it was appropriated has been accomplished. No money appropriated to the department for the purposes of administering the rail service improvement program shall be deposited in the rail service improvement account nor shall such administrative costs be paid from the account.

Sec. 3. Minnesota Statutes 1980, Section 222.50, Subdivision 7, is amended to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;

(b) To pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, and construction and improvement of loading, unloading, storage and

transfer facilities of a rail user;

(c) To acquire, maintain, manage and dispose of railroad right-of-way pursuant to subdivision 8 and the state rail bank program;

(d) To provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track.

All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the *state rail service bank* improvement account.

Sec. 4. Minnesota Statutes 1980, Section 222.63, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] ~~For the purpose of~~ *The terms defined in section 222.48 have the same meanings when used in this section the term.* *Other terms used in this section have the following meanings:*

(a) "Abandoned", when used with reference to a ~~railroad~~ *rail line* or right-of-way, means a line or right-of-way with respect to which the interstate commerce commission *or other responsible federal regulatory agency* has ~~found that the public convenience and necessity permit~~ *permitted* discontinuance of rail service;

(b) "Right-of-way" means any real property, including any interest in the real property that is or has been owned by a railroad company as the site, or is adjacent to the site, of an existing or former rail line;

(c) "State rail bank" means abandoned rail lines and right-of-way acquired by the commissioner of transportation pursuant to this section.

Sec. 5. Minnesota Statutes 1980, Section 222.63, Subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT; ACQUISITION; ELIGIBLE PROPERTIES PURPOSE.] A state rail bank ~~is shall be~~ established for the acquisition, ~~and~~ preservation ~~and disposition~~ of abandoned ~~railroad~~ *rail lines* and right-of-way for future *public use, or for disposition for commercial use in serving the public, by providing transportation and of persons or freight or transmission of energy, fuel, or other commodities.*

Subd. 2a. [ACQUISITION.] The commissioner of transportation may acquire by purchase ~~or otherwise~~ all or part of any abandoned ~~railroad~~ *rail line* or right-of-way which is necessary for ~~inclusion~~ *preservation* in the state rail bank to meet the future *public and commercial transportation and transmission* needs of the state. The commissioner shall not acquire any interest in an abandoned *rail line or right-of-way* for inclusion in the state rail bank by eminent domain except to quiet title or when all owners as defined in section 117.025 that are known to the court have no objection to the taking.

Subd. 2b. [ELIGIBLE PROPERTY.] An abandoned *rail line or right-of-way* is eligible for ~~inclusion~~ *preservation* in the state rail bank if the ~~right-of-way meets~~ *commissioner determines that it provides or may be used to provide* one or more of the following ~~criteria~~:

(a) ~~Provides or is expected to provide~~ Access to a present or proposed major

energy generating or using facility such as an electrical generating plant, major heating plant or other major industrial user of energy;

(b) ~~Provides or is expected to provide~~ Access to a major storage or terminal facility in the marketing of agricultural commodities ~~and~~ or forest products;

(c) ~~Provides~~ Important access to surrounding states;

(d) ~~Is~~ A present or potential corridor for a pipeline, electrical transmission line, highway, transit route, rail freight or passenger line or other similar ~~commercial~~ transportation or transmission use; or

(e) ~~Provides~~ Access to an extractive resource requiring rail or other transportation ~~and~~ or transmission rail services service for its development.

Subd. 2c. [PRESERVATION.] The commissioner shall provide for the maintenance, including control of weeds, of any rail line or right-of-way that is included in acquired for the rail bank. ~~The commissioner shall provide for the maintenance, and for its management of any right-of-way that is acquired under the rail bank program~~ in a manner that minimizes maintenance costs and provides a benefit to the state. The commissioner may also require that any existing railroad track that is included in the rail line on acquired right-of-way shall not be removed during any part or all of the period for which the right-of-way is included in the state rail bank.

Sec. 6. Minnesota Statutes 1980, Section 222.63, Subdivision 4, is amended to read:

Subd. 4. [DISPOSITION PERMITTED.] The commissioner ~~shall~~ may, in his discretion, lease any rail line or right-of-way ~~acquired under~~ held in the state rail bank program or enter into an agreement with any person for the operation of any rail line or right-of-way for any of the purposes set forth in subdivision 2 in accordance with a fee schedule to be developed by the commissioner in consultation with the advisory task force established in section 222.65. *The commissioner may after consultation convey any rail line or right-of-way, for consideration or for no consideration and upon other terms as the commissioner may determine to be in the public interest, to a governmental subdivision of the state having power by law to utilize it for any of the purposes set forth in subdivisions 2, 2a, 2b and 2c.*

Sec. 7. Minnesota Statutes 1980, Section 222.63, is amended by adding a subdivision to read:

Subd. 8. [RAIL BANK MAINTENANCE AND IMPROVEMENT ACCOUNTS.] Special accounts shall be maintained in the state treasury, designated as the rail bank maintenance account and the rail bank improvement account, to record the receipts and expenditures of the commissioner of transportation for the maintenance and for the acquisition and betterment of rail bank property. Expenditures of proceeds of state transportation bonds and any other amounts appropriated to the commissioner from the state transportation fund shall be recorded in the improvement account. Funds received by the commissioner of transportation from rentals, fees, or charges for the use of rail bank property shall be credited to the maintenance account and used for the maintenance of that property and held as a reserve for maintenance expenses in an amount determined by the commissioner, and amounts received in the maintenance account in excess of the reserve requirements shall be transferred

to the improvement account. All proceeds of the sale of abandoned rail lines shall be deposited in the improvement account. The improvement account shall be used only for the acquisition and betterment of abandoned rail lines and right-of-way. All money to be deposited in those accounts as provided in this subdivision is appropriated to the commissioner of transportation for the purposes of this section. The appropriations shall not lapse but shall be available until the purposes for which the funds are appropriated are accomplished.

Sec. 8. Laws 1980, Chapter 610, is amended to read:

Section 1. [RAILROAD ASSISTANCE; APPROPRIATION.]

The sum of \$13,500,000 is appropriated from the state ~~building transportation~~ fund to the ~~rail service improvement account in the special revenue fund, to be expended by~~ the commissioner of transportation for the acquisition and betterment of public land and buildings and public improvements of a capital nature determined to be needed for preservation in the state rail bank in the manner and for the purposes specified in Minnesota Statutes, ~~Sections 222.49 to 222.62~~ Sections 222.50, Subdivision 7, Clause (c) and 222.63.

Sec. 2. [~~BOND SALE; DEBT SERVICE STATE TRANSPORTATION BONDS.~~]

Subdivision 1. To provide the money appropriated in this act from the state ~~building transportation~~ fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$13,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, ~~Sections 16A.63 to 16A.67~~ Section 174.51, and by the Constitution, Article XI, Sections 4 ~~to~~, 5, and 7.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation bonds; amending Minnesota Statutes 1980, Sections 174.50, by adding a subdivision; 222.49; 222.50, Subdivision 7; and 222.63, Subdivisions 1, 2, 4, and by adding a subdivision; and Laws 1980, Chapter 610."

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

House Conferees: (Signed) Bruce Anderson, Henry J. Kalis, Warren Stowell

Senate Conferees: (Signed) Timothy J. Penny, Irving M. Stern, George S. Pillsbury

Mr. Penny moved that the foregoing recommendations and Conference Committee Report on H. F. No. 769 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. 769 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 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, C.C.	Stokowski
Bang	Engler	Lantry	Peterson, D.L.	Stumpf
Benson	Frank	Lessard	Peterson, R.W.	Taylor
Berg	Frederick	Lindgren	Petty	Tennessee
Bernhagen	Frederickson	Luther	Pillsbury	Ulland
Bertram	Hanson	Merriam	Ramstad	Vega
Brataas	Hughes	Moe, D. M.	Renneke	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Rud	Wegener
Dahl	Keefe	Nelson	Schmitz	Willet
Davies	Knutson	Olhoft	Setzepfandt	
Davis	Kroening	Pehler	Sieloff	
Dicklich	Kronebusch	Penny	Stern	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 1132 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1132

A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

May 16, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 1132, 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. 1132 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [121.218] [VOCATIONAL-TECHNICAL INSTITUTES; AWARDING DEGREES.]

The state board for vocational education may approve, disapprove, or modify a plan for awarding associate degrees at an area vocational-technical institute. The state board shall approve a plan only when an associate degree is required by a licensing authority and is offered in cooperation with a collegiate institution. The state board may approve an area vocational-technical institute plan for awarding an associate degree which is not offered in cooperation with a collegiate institution only if cooperation is not practicable. All associate degree plans approved by the state board for vocational education shall be presented to the higher education coordinating board for review and recom-

mendation pursuant to section 136A.04, subdivision 1, clause (d) and in accordance with the provisions of this section.

Sec. 2. [EXCEPTION.]

Associate degrees offered by the area vocational-technical institutes prior to January 1, 1981, shall not be subject to the provisions of section 1.

Sec. 3. [REPORT.]

By January 15, 1982, the higher education coordinating board, in cooperation with the state board for vocational education, shall submit a report to the education committees of the legislature regarding the awarding of associate degrees by area vocational-technical institutes. The report shall include identification and evaluation of the factors which affect the feasibility of cooperation with collegiate institutions. By January 1, 1983, the higher education coordinating board shall promulgate rules establishing criteria for determining when cooperation with a collegiate institution is not practicable.

Sec. 4. [EFFECTIVE DATE.]

Sections 1, 2 and 3 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after "grant" insert "associate"

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

Senate Conferees: (Signed) Jerome M. Hughes, Gene Merriam, Steven O. Lindgren

House Conferees: (Signed) Jim Heap, Carl M. Johnson, Kenneth P. Zubay

Mr. Hughes moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1132 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. 1132 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 2, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Langseth	Pehler	Stern
Benson	Frank	Lantry	Penny	Stokowski
Berg	Frederick	Lessard	Peterson, C.C.	Stumpf
Bernhagen	Frederickson	Lindgren	Peterson, D.L.	Taylor
Bertram	Hughes	Luther	Peterson, R.W.	Tennessee
Chmielewski	Kamrath	Merriam	Petty	Ulland
Dahl	Keefe	Moe, D. M.	Ramstad	Vega
Davies	Knoll	Moe, R. D.	Rued	Waldorf
Davis	Knutson	Nelson	Setzepfandt	Wegener
Dieterich	Kroening	Olhoft	Sieloff	Willer

Mmes. Brataas and Kronebusch 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. 179 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 179

A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 179, 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) Florian Chmielewski, Bob Lessard, William V. Belanger, Jr.

House Conferees: (Signed) John A. Ainley, C. Thomas Osthoff, Glen A. Sherwood

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on S. F. No. 179 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. 179 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 6, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, C. C.	Stern
Benson	Frank	Lessard	Peterson, R. W.	Stokowski
Berg	Frederick	Lindgren	Petty	Stumpf
Bernhagen	Frederickson	Luther	Pillsbury	Taylor
Brataas	Hanson	Menning	Purfeerst	Tennessee
Chmielewski	Hughes	Merriam	Ramstad	Ulland
Dahl	Knoll	Moe, R. D.	Renneke	Vega
Davies	Knutson	Nelson	Schmitz	Waldorf
Davis	Kroening	Pehler	Setzepfand	Wegener
Dieterich	Langseth	Penny	Sieloff	Willet

Those who voted in the negative were:

Bertram
Kamrath

Keefe

Kronebusch

Olhoft

Peterson, D.L.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1370 a Special Order to be heard immediately.

S. F. No. 1370: A resolution declaring Raoul Wallenberg to be an honorary citizen of the State of Minnesota and memorializing the Union of Soviet Socialist Republics to return him to his native country.

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

The question was taken on the passage of the resolution.

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

Those who voted in the affirmative were:

Ashbach	Frank	Lantry	Penny	Stern
Bang	Frederick	Lessard	Peterson, C.C.	Stokowski
Benson	Frederickson	Lindgren	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Luther	Peterson, R.W.	Taylor
Bertram	Kamrath	Menning	Petty	Tennessee
Chmielewski	Keefe	Merriam	Purfeerst	Ulland
Dahl	Knoll	Moe, D. M.	Ramstad	Vega
Davies	Knutson	Moe, R. D.	Rued	Wegener
Davis	Kroening	Nelson	Schmitz	Williet
Dieterich	Kronebusch	Olhoft	Setzepfandt	
Engler	Langseth	Pehler	Solon	

So the resolution passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1139 a Special Order to be heard immediately.

H. F. No. 1139: A bill for an act relating to courts; providing for certain reorganization of the court system in the state; providing that Hennepin and Ramsey municipal courts shall also be probate courts; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; abolishing the office of court commissioner; providing for continuance of the Ramsey county court commissioner position for a limited time; changing the jurisdiction of county courts and county municipal courts; providing for the prosecution of gross misdemeanors by municipalities; creating certain judicial positions; abolishing certain judicial positions by attrition; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.03, by adding a subdivision;

487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 487.25, Subdivision 10; 488A.01, Subdivisions 4, 6, and 8; 488A.18, Subdivisions 4, 7, 9, and 13; 488A.27, Subdivision 11; 489.01; 525.10; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; and 525.04.

Mr. Tennesen moved to amend H. F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1094.)

Page 2, line 1, strike "five" and insert "seven"

Page 2, line 10, delete "25" and insert "24"

Page 2, line 32, delete "11" and insert "ten"

Page 3, line 19, delete "June 30, 1977" and insert "August 15, 1980"

Page 4, line 4, delete "June 30, 1978" and insert "August 15, 1980"

Page 8, delete lines 3 to 12 and insert:

"Sec. 13. [487.14] [MERGER WITH DISTRICT COURTS.]

(a) One year following certification to the secretary of state of intention to reorganize the trial courts by a majority of the district judges and a majority of the county or municipal judges of a judicial district, there shall be one general trial court of the judicial district to be known as the district court which shall also be a probate court.

(b) Upon the effective date of a judicial district reorganization pursuant to paragraph (a), the district court, except in districts two and four, shall also exercise the powers, duties, and jurisdiction conferred upon courts by chapters 487, 491, 492, 493, and 525.

(c) Upon the effective date of a judicial district reorganization of districts two or four pursuant to paragraph (a), the district court shall also exercise the powers conferred upon courts by chapters 488A, 492, and 493.

(d) Notwithstanding any other law, the county or municipal judges of the district in office on the effective date of a reorganization pursuant to paragraph (a) shall be district judges and shall continue in office for the balance of the term for which they were elected or appointed and shall be entitled to run for reelection as incumbent judges of the district court."

Page 13, line 15, delete "\$215,000" and insert "\$110,500"

Page 13, line 15, delete "\$541,000" and insert "\$331,500"

Page 13, line 18, delete "13,"

Page 13, line 20, after "that" insert "the two new judge positions created in the first district,"

Page 13, line 23, delete "nor"

Page 13, line 23, delete "until July 1, 1982" and insert "by election at the 1982 state primary and general elections for terms beginning on the first Monday in January of 1983"

Amend the title as follows:

Page 1, line 21, delete "487.25, Subdivision"

Page 1, line 22, delete "10;"

Page 1, line 24, before "repealing" insert "proposing new law coded in Minnesota Statutes, Chapter 487;"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Lessard imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Lessard moved to amend H.F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1094.)

Page 3, after line 33, insert:

"Sec. 4. Minnesota Statutes 1980, Section 484.69, Subdivision 3, is amended to read:

Subd. 3. [ADMINISTRATIVE AUTHORITY.] In each judicial district, the chief judge, subject to the authority of the chief justice, shall exercise general administrative authority over the courts within the judicial district. The chief judge shall make assignments of judges to serve on the courts within the judicial district, and assignments may be made without the consent of the judges affected, *except consent of the affected judge shall be required when assignment of a judge is from county or county municipal court to district court or from district court to county or county municipal court.* 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."

Page 13, line 17, delete "7" and insert "8"

Page 13, line 18, delete "11, 12, 13, 15, 18, 19, and 20" and insert "12, 13, 14, 16, 19, 20, and 21"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring consent of affected judge in certain assignments;"

Page 1, line 19, after "1;" insert "484.69, Subdivision 3;"

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

Mr. Penny moved to amend H.F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1094.)

Pages 5 and 6, delete section 7

Page 13, delete line 17

Page 13, line 18, delete "11, 12, 13, 15, 18, 19, and 20" and insert "10, 11, 12, 14, 17, 18, and 19":

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, delete "487.03, by adding a subdivision;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Bang	Davis	Langseth	Penny	Taylor
Belanger	Engler	Lessard	Peterson, C.C.	Wegener
Benson	Frederick	Menning	Peterson, D.L.	Willet
Berg	Frederickson	Moe, R. D.	Renneke	
Bernhagen	Hanson	Nelson	Rued	
Bertram	Kamrath	Olhoft	Setzepfandt	
Chmielewski	Kronebusch	Pehler	Solon	

Those who voted in the negative were:

Ashbach	Frank	Kroening	Petty	Stern
Berglin	Hughes	Lantry	Pillsbury	Stokowski
Brataas	Humphrey	Lindgren	Ramstad	Stumpf
Dahl	Johnson	Luther	Schmitz	Tennessen
Davies	Keefe	Merriam	Sieloff	Vega
Dicklich	Knoll	Moe, D. M.	Sikorski	Waldorf
Dieterich	Knutson	Peterson, R.W.	Spear	

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

Mr. Menning moved to amend H.F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1094.)

Page 1, after line 28, insert:

"ARTICLE I"

Page 13, after line 23, insert:

"ARTICLE II

Section 1. [CONSTITUTIONAL AMENDMENT PROPOSED.]

The following amendment to the Minnesota Constitution, Article VI, Section 8, is proposed to the people. If the amendment is adopted, the section will read as follows:

Sec. 8. [VACANCY.] Whenever there is a vacancy in the office of judge the governor shall appoint in the manner provided by law a qualified person call an election to fill the vacancy until a successor is elected and qualified. The successor shall be elected for a six year term at the next general election occurring more than one year after the appointment for the remainder of the unexpired term.

Sec. 2. [SUBMISSION TO VOTERS.]

The amendment proposed in section 1 shall be submitted to the people at the 1982 general election. The question submitted shall be:

“Shall the Minnesota Constitution be amended to require the governor to call an election in order to fill a vacancy in the office of judge?”

Sec. 3. Minnesota Statutes 1980, Section 487.03, Subdivision 5, is amended to read:

Subd. 5. [VACANCY.] Whenever there is a vacancy in the office of judge, the governor shall ~~appoint a qualified person call a special election~~ to fill the vacancy; ~~to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general election occurring more than one year after such appointment for the remainder of the unexpired term.~~

Sec. 4. Minnesota Statutes 1980, Section 488A.021, Subdivision 3, is amended to read:

Subd. 3. [TERM; VACANCIES; APPOINTMENTS AND ELECTION.]

(a) Each elected judge holds office for six years beginning the first Monday in January next succeeding his election.

(b) Whenever there is a vacancy in the office of judge, the governor shall ~~appoint a qualified person call a special election~~ to fill the vacancy; ~~to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general election occurring more than one year after such appointment for the remainder of the unexpired term.~~

(c) At the general election immediately preceding the expiration of his term, the qualified voters of the county of Hennepin shall elect the successor to any elected or appointed judge.

(d) Each judge holds a separate nonpartisan office.

(e) When one or more judges of the court are to be nominated or elected at an election, the notice of election shall state the name of each judge whose successor is to be nominated or elected. The official ballot shall contain the names of all candidates for each such office, state the number of judges to be elected and the number of candidates for whom an elector may vote, and designate each candidacy as “For the office of Judge of the Municipal Court of the county of Hennepin to which(name of judge)..... was elected for the regular term”, or: “For the office of Judge of the Municipal Court of the county of Hennepin to which(name of judge)..... was appointed,” as the case may be. The official ballots shall show in the spaces for the purpose the name of the judge whose successor is to be elected. When any judge is a candidate to succeed himself, the word “incumbent” shall be printed after his name where it appears among the names of the candidates for the office. When voting machines are used and such statements cannot be inserted in full, the designation shall be “Successor to(name of judge)..... (elected)”, or “Successor to(name of judge).....(appointed)”, as the case may be.

(f) Each person desiring to have his name placed upon the primary ballot as a candidate for judge shall state in his affidavit of candidacy the office of the particular judge for which he is a candidate. The filing of this affidavit with the county auditor and a compliance with all other requirements constitutes such person a candidate for that office, and for that office only. No person shall at any election be a candidate for more than one such office.

Sec. 5. Minnesota Statutes 1980, Section 488A.19, Subdivision 3, is

amended to read:

Subd. 3. [TERM; VACANCIES; APPOINTMENTS AND ELECTION.]

(a) Each elected judge holds office for six years beginning the first Monday in January next succeeding his election.

(b) Whenever there is a vacancy in the office of judge the governor shall ~~appoint a qualified person call a special election to fill the vacancy; to hold office until his successor is elected and qualified. The successor shall be elected for a six-year term at the next general election occurring more than one year after such appointment for the remainder of the unexpired term.~~

(c) At the general election immediately preceding the expiration of his term the qualified voters of the county of Ramsey shall elect the successor to any elected judge.

(d) Each judge holds a separate nonpartisan office.

(e) When one or more judges of the court are to be nominated or elected at an election, the notice of election shall state the name of each judge whose successor is to be nominated or elected. The official ballot shall contain the names of all candidates for each such office, state the number of judges to be elected and the number of candidates for whom an elector may vote, and designate each candidacy as "For the office of Judge of the Municipal Court of the county of Ramsey to which(Name of Judge)..... was elected for the regular term," or "For the office of Judge of the Municipal Court of the county of Ramsey to which(Name of Judge)..... was appointed," as the case may be. The official ballots shall show in the spaces for the purpose the name of the judge whose successor is to be elected. When any judge is a candidate to succeed himself, the word "incumbent" shall be printed after his name where it appears among the names of the candidates for the office. When voting machines are used and such statements cannot be inserted in full, the designation shall be "Successor to(Name of Judge) (elected)", or "Successor to(Name of Judge)..... (appointed)", as the case may be.

(f) Each person desiring to have his name placed upon the primary ballot as a candidate for judge shall state in his affidavit of candidacy the office of the particular judge for which he is a candidate. The filing of this affidavit with the county auditor and a compliance with all other requirements constitutes such person a candidate for that office, and for that office only. No person shall at any election be a candidate for more than one such office.

Sec. 6. Minnesota Statutes 1980, Section 525.052, is amended to read:

525.052 [INSANITY OF JUDGE.]

When a verified petition of five voters of any county is presented to a judge of the district court stating that the probate judge of such county is insane and incapacitated to act by reason of mental disability, such district judge shall examine into such alleged insanity or mental disability in the manner provided by law for examinations of insane persons by probate judges. If, upon the examination, such probate judge is found to be insane or incapacitated to act by reason of mental disability, the district judge shall certify such findings to the governor, who shall thereupon declare the office of such probate judge vacant and ~~fill the same by appointment~~ *call a special election to fill the vacancy for the remainder of the unexpired term.*

Sec. 7. [EFFECTIVE DATE.]

Sections 3 to 6 are effective upon ratification of the amendment proposed in section 1 of this article as provided in the Minnesota Constitution.

Amend the title as follows:

Page 1, line 16, after the first semicolon, insert "proposing an amendment to the Minnesota Constitution, Article VI, Section 8, to provide for an election to be called to fill vacancies in the office of judge;"

Page 1, line 20, after "487.03," insert "Subdivision 5, and"

Page 1, line 22, after "8;" insert "488A.021, Subdivision 3;"

Page 1, line 23, after "13;" insert "488A.19, Subdivision 3;"

Page 1, line 26, delete "and" and before the period, insert "; and 525.052"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 37, as follows:

Those who voted in the affirmative were:

Benson	Dicklich	Lessard	Pehler	Taylor
Berg	Engler	Lindgren	Penny	Wegener
Bertram	Frederickson	Menning	Peterson, D.L.	Willet
Chmielewski	Kamrath	Nelson	Renneke	
Davis	Kronebusch	Olhoft	Setzepfandt	

Those who voted in the negative were:

Ashbach	Dieterich	Knutson	Peterson, C. C.	Stokowski
Bang	Frank	Kroening	Peterson, R. W.	Stumpf
Belanger	Frederick	Langseth	Petty	Tennessee
Berglin	Hanson	Lantry	Pillsbury	Vega
Bernhagen	Hughes	Luther	Ramstad	Waldorf
Brataas	Humphrey	Merriam	Sieloff	
Dahl	Keefe	Moe, D. M.	Solon	
Davies	Knoll	Moe, R. D.	Spear	

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

RECONSIDERATION

Having voted on the prevailing side, Mr. Dicklich moved that the vote whereby the Penny amendment to H. F. No. 1139 was not adopted on May 18, 1981, be now reconsidered. The motion did not prevail.

Mr. Keefe moved to amend H.F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1094.)

Page 3, line 17, delete everything after the period

Page 3, line 18, delete everything before the period and insert "*However, the chief judge of the district court may fill the position of any full time referee whose employment is terminated*"

Page 3, line 36, delete "No"

Page 4, delete lines 1 and 2

Page 4, line 3, delete "office created."

Page 4, line 7, before the period, insert "and be replaced if their employment is terminated"

The motion prevailed. So the amendment was adopted.

Mr. Luther moved to amend H.F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1094.)

Page 9, after line 11, insert:

"Sec. 17. Minnesota Statutes 1980, Section 488A.12, Subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate; the court has jurisdiction to hear, conciliate, try and determine civil actions at law where the amount in controversy does not exceed the sum of ~~\$1000~~ \$1,500. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Hennepin.

(b) Notwithstanding the provisions of clause (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Hennepin county, and the summons in the action may be served anywhere within the state of Minnesota.

Sec. 18. Minnesota Statutes 1980, Section 488A.14, Subdivision 6, is amended to read:

Subd. 6. [REPLEVIN.] If the controversy concerns the ownership or possession, or both, of personal property the value of which does not exceed the sum of ~~\$1000~~ \$1,500, the judge in his discretion, may direct an officer of the court to take possession of the property immediately and hold it subject to the further order of the court, without the giving of any bond whatever."

Page 11, after line 20, insert:

"Sec. 24. Minnesota Statutes 1980, Section 488A.29, Subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try and determine civil actions at law where the amount in controversy does not exceed the sum of ~~\$1000~~ \$1,500. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Ramsey.

(b) Notwithstanding the provisions of clause (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Ramsey county, and the summons in the action may be served anywhere in the state of Minnesota.

Sec. 25. Minnesota Statutes 1980, Section 488A.31, Subdivision 6, is amended to read:

Subd. 6. [REPLEVIN.] If the controversy concerns the ownership or possession, or both, of personal property the value of which does not exceed the

sum of ~~\$1000~~ \$1,500, the judge, in his discretion, may direct an officer of the court to take possession of the property immediately and hold it subject to the further order of the court, without the giving of any bond whatever."

Page 13, line 18, delete "18, 19, and 20" and insert "20, 21, and 22"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "and" and insert a comma

Page 1, line 13, after "courts" insert ", and conciliation courts in Hennepin and Ramsey Counties"

Page 1, line 22, after "8;" insert "488A.12, Subdivision 3; 488A.14, Subdivision 6;"

Page 1, line 23, after "11;" insert "488A.29, Subdivision 3; 488A.31, Subdivision 6;"

The motion prevailed. So the amendment was adopted.

Mr. Penny moved to amend H.F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 1094.)

Page 5, delete lines 10 to 36

Page 6, delete lines 1 to 15

Page 6, line 16, delete "(c)" and insert "Subd. 6. [JUDGE POSITIONS; CREATION; ABOLITION.]"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Benson	Engler	Lessard	Peterson, C.C.	Taylor
Berg	Frederickson	Menning	Peterson, D.L.	Wegener
Bernhagen	Hanson	Moe, R. D.	Purfeerst	Willet
Bertram	Johnson	Nelson	Renneke	
Chmielewski	Kamrath	Olhoft	Rued	
Davis	Kronebusch	Pehler	Schmitz	
Dicklich	Langseth	Penny	Setzpfandt	

Those who voted in the negative were:

Ashbach	Dieterich	Kroening	Petty	Stern
Bang	Frank	Lantry	Pillsbury	Stokowski
Belanger	Frederick	Lindgren	Ramstad	Stumpf
Berglin	Hughes	Luther	Sieloff	Tennessee
Brataas	Humphrey	Merriam	Sikorski	Ulland
Dahl	Keefe	Moe, D. M.	Solon	Vega
Davis	Knoll	Peterson, R.W.	Spear	Waldorf

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

H. F. No. 1139 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 27, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Knoll	Peterson, R. W.	Spear
Bang	Dicklich	Knutson	Petty	Stern
Belanger	Dieterich	Kroening	Pillsbury	Stokowski
Berglin	Frank	Lantry	Ramstad	Stumpf
Bernhagen	Hughes	Lindgren	Renneke	Tennessee
Brataas	Humphrey	Luther	Sieloff	Ulland
Chmielewski	Johnson	Merriam	Sikorski	Vega
Dahl	Keefe	Moe, D. M.	Solon	Waldorf

Those who voted in the negative were:

Benson	Frederickson	Menning	Peterson, C. C.	Taylor
Berg	Hanson	Moe, R. D.	Peterson, D. L.	Wegener
Bertram	Kamrath	Nelson	Purfeerst	Willet
Davis	Kronebusch	Olhoft	Rued	
Engler	Langseth	Pehler	Schmitz	
Frederick	Lessard	Penny	Setzepfandt	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mrs. Lantry moved that H. F. No. 553 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mrs. Lantry 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. 553 and that the rules of the Senate be so far suspended as to give H. F. No. 553 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 553: A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund and the highway user tax distribution fund for a period of four years, and thereafter all the proceeds to be deposited in the highway user tax distribution fund; authorizing the issuance of state bonds and appropriating the proceeds for the purpose of providing money to acquire and better public land, buildings, and capital improvements comprising key bridges, segments of interstate highway, and interstate highway substitution projects needs for an integrated state transportation system; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the city of Moorhead to increase its mill rate for public transportation services; appropriating money;

amending Minnesota Statutes 1980, Sections 84.87, Subdivision 2; 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h and by adding a subdivision; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.11; 169.79; 169.95; 171.02, Subdivision 3; 171.04; 171.06, Subdivisions 1, 2, 4 and by adding a subdivision; 171.07, Subdivisions 1 and 3; 171.17; 171.29; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 174.50, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision 5; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapter 192, Section 1; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7.

H. F. No. 553 was read the second time.

Mrs. Lantry moved to amend H. F. No. 553 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 84.87, Subdivision 2, is amended to read:

Subd. 2. [OPERATION GENERALLY.] It shall be unlawful for any person to drive or operate any snowmobile in the following unsafe or harassing ways:

- (a) At a rate of speed greater than reasonable or proper under all the surrounding circumstances;
- (b) In a careless, reckless or negligent manner so as to endanger the person or property of another or to cause injury or damage thereto;
- (c) While under the influence of ~~intoxicating liquor~~ *an alcoholic beverage or narcotics or habit forming drugs* a controlled substance;
- (d) Without a lighted head and tail light when required for safety;
- (e) In any tree nursery or planting in a manner which damages or destroys growing stock.

Sec. 2. Minnesota Statutes 1980, Section 168.011, Subdivision 7, is amended to read:

Subd. 7. [PASSENGER AUTOMOBILE.] “Passenger automobile” means any motor vehicle designed and used for the carrying of not more than ~~eight ten~~ *eight ten* persons but excluding motorcycles, ~~and~~ *and* motor scooters, ~~and~~ *and* station wagons. *“Passenger automobile” includes pickup trucks and station wagons.*

Sec. 3. Minnesota Statutes 1980, Section 168.011, Subdivision 10, is amended to read:

Subd. 10. [TRUCK.] “Truck” means any motor vehicle designed and used for carrying things other than passengers, *except pickup trucks included within the definition of passenger automobile in subdivision 7.*

Sec. 4. Minnesota Statutes 1980, Section 168.011, Subdivision 16, is amended to read:

Subd. 16. [GROSS WEIGHT.] “Gross weight” means the actual unloaded weight of the vehicle, either a truck or tractor, or the actual unloaded combined weight of a truck-tractor and semitrailer or semitrailers, or of the truck-tractor,

semitrailer and one additional semitrailer, fully equipped for service, plus the weight of the maximum load which the applicant has elected to carry on such vehicle or combined vehicles. The term gross weight applied to a truck used for towing a trailer means the unloaded weight of the truck, fully equipped for service, plus the weight of the maximum load which the applicant has elected to carry on such truck, including the weight of such part of the trailer and its load as may rest upon the truck. The term gross weight applied to school buses means the weight of the vehicle fully equipped with all fuel tanks full of fuel, plus the weight of the passengers and their baggage computed at the rate of 100 pounds per passenger seating capacity, including that for the driver. The term gross weight applied to other buses means the weight of the vehicle fully equipped with all fuel tanks full of fuel, plus the weight of passengers and their baggage computed at the rate of 150 pounds per passenger seating capacity, including that for the driver. For bus seats designed for more than one passenger, but which are not divided so as to allot individual seats for the passengers that occupy them, allow two feet of its length per passenger to determine seating capacity. The term gross weight applied to a truck, truck-tractor or a truck used as a truck-tractor used exclusively by the owner thereof for transporting unfinished forest products or used by the owner thereof to transport agricultural, horticultural, dairy and other farm products including livestock produced or finished by the owner of the truck and any other personal property owned by the farmer to whom the license for such truck is issued, from the farm to market, and to transport property and supplies to the farm of the owner, as described in subdivision 17, shall be the actual weight of the truck, truck-tractor or truck used as a truck-tractor or the combined weight of the truck-tractor and semitrailer plus the weight of the maximum load which the applicant has elected to carry on such vehicle or combined vehicles and shall be licensed and taxed as provided by section 168.013, subdivision 1c. The term gross weight applied to a truck-tractor or a truck used as a truck-tractor used exclusively by the owner thereof, or by a for hire carrier hauling exclusively for one owner, for towing an equipment dolly shall be the actual weight of the truck-tractor or truck used as a truck-tractor plus the weight of such part of the equipment dolly and its load as may rest upon the truck-tractor or truck used as a truck-tractor, and shall be licensed separately and taxed as provided by section 168.013, subdivision 1e, and the equipment dolly shall be licensed separately and taxed as provided in section 168.013, subdivision 1d, which is applicable for the balance of the weight of the equipment dolly and the balance of the maximum load the applicant has elected to carry on such combined vehicles. The term "equipment dolly" as used in this subdivision means a heavy semitrailer used solely by the owner thereof, or by a for hire carrier hauling exclusively for one owner, to transport his construction machinery, equipment, implements and other objects used on a construction project, but not to be incorporated in or to become a part of a completed project. The term gross weight applied to a wrecker defined in section 169.01, subdivision 52, means the weight of the wrecker fully equipped for service, including the weight of the crane, winch and other equipment to control the movement of a towed vehicle, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the wrecker.

Sec. 5. Minnesota Statutes 1980, Section 168.011, Subdivision 17, is amended to read:

Subd. 17. [FARM TRUCK.] "Farm truck" means all single unit trucks,

truck-tractors, tractors, semitrailers, and trailers used by the owner thereof to transport agricultural, horticultural, dairy, and other farm products, including livestock, produced or finished by the owner of the truck, and any other personal property owned by the farmer to whom the license for ~~such the~~ truck is issued, from the farm to market, and to transport property and supplies to the farm of the owner. Trucks, truck-tractors, tractors, semitrailers, and trailers registered as "farm trucks" may be used by the owner thereof to occasionally transport unprocessed and raw farm products, not produced by the owner of the truck, from the place of production to market when ~~such the~~ transportation constitutes the first haul of ~~such the~~ products, and may be used by the owner thereof, either farmer or logger who harvests and hauls forest products only, to transport logs, pulpwood, lumber, chips, railroad ties and other raw and unfinished forest products from the place of production to an assembly yard or railhead when ~~such the~~ transportation constitutes the first haul thereof, provided that the owner and operator of ~~such the~~ vehicle transporting planed lumber shall have in his immediate possession a statement signed by the producer of ~~such the~~ lumber designating the governmental subdivision, section and township where ~~such the~~ lumber was produced and that this haul, indicating the date, is the first haul thereof. ~~Such~~ The licensed vehicles may also be used by the owner thereof to transport, to and from timber harvesting areas, equipment and appurtenances incidental to timber harvesting, and gravel and other road building materials for timber haul roads.

"Farm trucks" shall also include only single unit trucks, which, because of their construction, cannot be used for any other purpose and are used exclusively to transport milk and cream enroute from farm to an assembly point or place for final manufacture, and for transporting milk and cream from an assembly point to a place for final processing or manufacture. This section shall not be construed to mean that the owner or operator of ~~any such the~~ truck cannot carry on his usual accommodation services for his patrons on regular return trips, such as butter, cream, cheese, and other dairy supplies.

Sec. 6. Minnesota Statutes 1980, Section 168.011, Subdivision 25, is amended to read:

Subd. 25. [RECREATIONAL EQUIPMENT.] "Recreational equipment" means house trailers including those which telescope or fold down, chassis mounted campers, house cars, motor homes, tent trailers, slip in campers, converted buses and converted vans.

(1) House trailers, chassis mounted campers, house cars, motor homes, tent trailers, slip in campers, converted buses and converted vans are units designed and used for human living quarters and meeting the following qualifications:

- (a) Are not used as the residence of the owner or occupant.
- (b) Are used for temporary living quarters by the owner or occupant while engaged in recreational or vacation activities.
- (c) Are self propelled or towed on the public streets or highways incidental to ~~such the~~ recreational or vacation activities.

For the purposes of this subdivision, a motor home includes a unit designed to provide temporary living quarters, built into as an integral part of, or permanently attached to, a self propelled motor vehicle chassis or van that contains a permanently installed independent life support system and provides

at least four of the following facilities: cooking, refrigeration or ice box, self contained toilet, heating or air conditioning, a potable water supply system including a faucet and sink, separate 110-125 volt electrical power supply, or a liquid propane gas supply. The units include, but are not limited to, the following:

- (i) A raw chassis upon which is built a driver's compartment and an entire body that provides temporary living quarters;
- (ii) A completed van-type vehicle that has been altered to provide temporary living quarters; and
- (iii) An incomplete vehicle upon which is permanently attached a body designed to provide temporary living quarters as defined above.

(2) Slip in campers are mounted into a pickup truck in the pickup box, either by bolting through the floor of the pickup box or by firmly clamping to the side of the pickup box. The vehicle may be registered, at the owner's choice, as either a recreational vehicle under this definition or may be registered as a truck, defined by subdivision 10 must be registered as a passenger automobile.

Sec. 7. Minnesota Statutes 1980, Section 168.013, Subdivision 1a, is amended to read:

Subd. 1a. [PASSENGER AUTOMOBILES; AMBULANCES; HEARSEs.] On passenger automobiles as defined in section 168.011, subdivision 7, ambulances, and hearses, except as otherwise provided, the tax shall be \$10 plus an additional tax equal to 1.25 percent of the base value, except that on pickup trucks the tax shall be:

(a) for the 1982 registration year, \$10 plus an additional tax equal to .75 percent of base value;

(b) for the 1983 registration year, \$10 plus an additional tax equal to .75 percent of base value

(c) for the 1984 registration year and each succeeding year, \$10 plus an additional tax equal to 1.25 percent of the base value.

Subject to the classification provisions herein, "base value" means the manufacturer's suggested retail price of the vehicle including destination charge as reflected on the price listing affixed to the vehicle in conformity with 15 U.S.C. 1231 to 1233 (Public Law 85-506) or otherwise suggested by the manufacturer or determined by the registrar if no suggested retail price exists, and shall not include the cost of each accessory or item of optional equipment separately added to the vehicle and the suggested retail price.

If the registrar is unable to determine the base value because the vehicle is specially constructed, or for any other reason, he may establish such value upon the cost price to the purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales or use tax or any local sales or other local tax.

The registrar shall classify every vehicle in its proper base value class as follows:

FROM	TO
\$ 0	\$199.99
200	399.99

and thereafter a series of classes successively set in brackets having a spread of \$200 consisting of such number of classes as will permit classification of all vehicles.

The base value for purposes of this section shall be the middle point between the extremes of its class.

The registrar shall establish the base value, when new, of every passenger automobile, ambulance and hearse registered prior to the effective date of Extra Session Laws 1971, Chapter 31, using list price information published by the manufacturer or any nationally recognized firm or association compiling such data for the automotive industry. If the registrar is unable to ascertain the base value of any registered vehicle in the foregoing manner, he may use any other available source or method. The tax on all previously registered vehicles shall be computed upon the base value thus determined taking into account the depreciation provisions of Extra Session Laws 1971, Chapter 31.

The annual additional tax computed upon the base value as provided herein, during the first year of vehicle life shall be computed upon 100 percent of the base value; for the second year, 90 percent of such value; for the third year, 75 percent of such value; for the fourth year, 60 percent of such value; for the fifth year, 45 percent of such value; for the sixth year, 35 percent of such value; for the seventh year, 30 percent of such value; for the eighth year, 20 percent of such value; for the ninth year, 15 percent of such value; for the tenth year, 10 percent of such value; for the eleventh and each succeeding year, the sum of \$2 \$5; *provided that for registrations renewed on or after January 1, 1982, the annual additional tax for the eleventh and each succeeding year of vehicle life shall be \$5, for registrations renewed on or after January 1, 1983, the annual additional tax shall be \$10 and for registrations renewed on or after January 1, 1984, the annual additional tax shall be \$15.*

In no event shall the annual additional tax be less than \$5 for any registration renewed after January 1, 1982, nor less than \$10 for any registration renewed after January 1, 1983, and \$15 for any registration renewed after January 1, 1984.

Sec. 8. Minnesota Statutes 1980, Section 168.013, Subdivision 1b, is amended to read:

Subd. 1b. [MOTORCYCLES.] On motorcycles the tax is ~~\$5~~ \$10, which includes the surtax provided for in subdivision 14.

Sec. 9. Minnesota Statutes 1980, Section 168.013, Subdivision 1c, is amended to read:

Subd. 1c. [FARM TRUCKS.] (1) On farm trucks having a gross weight of not more than 57,000 pounds, the tax shall be based on total gross weight and shall be ~~30~~ 45 percent of the Minnesota base rate prescribed by subdivision 1e ~~under Schedule I~~ during each of the first ~~six~~ ~~eight~~ years of vehicle life, but in no event less than ~~\$19~~ \$35, and during the ~~seventh~~ ~~ninth~~ and succeeding years of vehicle life as ~~taken from Schedule II, but in no event less than \$11~~ the tax shall be 27 percent of the Minnesota base rate prescribed by subdivision 1e, but in no event less than \$21, except as otherwise provided in this subdivision. On

farm trucks having a gross weight of not more than 57,000 pounds during each of the first eight years of vehicle life, the tax shall be:

(a) for the registration year 1982, 34 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 38 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 42 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 45 percent of the tax imposed in the Minnesota base rate schedule.

On farm trucks having a gross weight of not more than 57,000 pounds during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 20 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 22 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 24 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 27 percent of the Minnesota base rate schedule.

(2) On farm trucks having a gross weight of more than 57,000 pounds, the tax shall be 60 percent of the Minnesota base rate during the first eight years of vehicle life and 36 percent of the Minnesota base rate during the tenth and succeeding years, except as otherwise provided in this subdivision. On farm trucks having a gross weight of more than 57,000 pounds during the first eight years of vehicle life, the tax shall be:

(a) for the registration year 1982, 38 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 45 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 53 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 60 percent of the tax imposed in the Minnesota base rate schedule.

On farm trucks having a gross weight of more than 57,000 pounds, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 23 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 27 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 31 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 36 percent of

the tax imposed in the Minnesota base rate schedule.

In addition to such the gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Sec. 10. Minnesota Statutes 1980, Section 168.013, Subdivision 1d, is amended to read:

Subd. 1d. [TRAILERS.] On trailers the annual tax shall be based on total gross weight and shall be 30 percent of the Minnesota base rate prescribed in subdivision 1e, ~~Schedule I~~, but in no event less than \$2 \$5, provided, that the tax on trailers with a total gross weight of 3,000 pounds or less shall be payable biennially.

Sec. 11. Minnesota Statutes 1980, Section 168.013, Subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On all trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on all truck-tractor and semi-trailer combinations except those defined as farm combinations and urban combinations and on commercial zone vehicles, the tax based on total gross weight during the first six years of vehicle life shall be graduated according to ~~Schedule I~~ of the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$28, and during the seventh and succeeding years of vehicle life the tax shall be graduated according to ~~Schedule II~~ of this subdivision, but in no event less than \$17 \$120.

MINNESOTA BASE RATE SCHEDULE

Scheduled taxes include five percent surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS	SCHEDULE I		SCHEDULE II	
	Tax		Tax	
A 0 - 1,500	\$ 5.00	15	\$ ----	----
B 1,501 - 3,000	9.00	20	----	----
C 3,001 - 4,500	14.00	25	8.00	
D 4,501 - 6,000	19.00	35	11.00	
E 6,001 - 9,000	28.00	45	17.00	
F 9,001 - 12,000	39.00	70	23.00	
G 12,001 - 15,000	62.00	105	37.00	
H 15,001 - 18,000	86.00	145	52.00	
I 18,001 - 21,000	114.00	190	68.00	
J 21,001 - 27,000	158.00	270	95.00	
K 27,001 - 33,000	230.00	360	138.00	
L 33,001 - 39,000	320.00	470	192.00	
M 39,001 - 45,000	420.00	590	252.00	
N 45,001 - 51,000	540.00	710	324.00	
O 51,001 - 57,000	690.00	860	414.00	
P 57,001 - 63,000	830.00	1010	498.00	
Q 63,001 - 69,000	970.00	1180	582.00	
R 69,001 - 73,280	1,050.00	1320	630.00	
S 73,281 - 77,000 78,000	1,155.00	1520	693.00	
T 77,001 78,001 - 81,000	1,260.00	1620	746.00	

For each vehicle with a gross weight in excess of 81,000 pounds an addi-

tional tax of \$36 \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to provisions of subdivision 12.

Provided however, that on all trucks, except those in this chapter defined as farm trucks and urban trucks, having a gross weight in excess of 18,000 pounds but less than 27,001 pounds, the tax shall be:

(a) For the registration year 1976, 70 percent of the applicable Schedule I or Schedule H of this subdivision;

(b) For the registration year 1977, 80 percent of the applicable Schedule I or Schedule H of this subdivision;

(c) For the registration year 1978, 90 percent of the applicable Schedule I or Schedule H of this subdivision;

(d) For the registration year 1979 and thereafter, 100 percent of the applicable Schedule I or Schedule H of this subdivision.

On vehicles having a gross weight in excess of 27,000 pounds, and used for the transportation of livestock or unprocessed and raw farm products shall be taxed at 90 percent of the Minnesota base rate prescribed by this subdivision under Schedule I during each of the first six years of vehicle life and during the seventh and succeeding years of vehicle life as taken from Schedule H, provided the gross receipts derived from such use equal or exceed 60 percent of the owner's total gross receipts from the operation of such vehicle during the 12 month period immediately preceding the date set by law for the reregistration of such vehicle. The owner shall furnish such information as the commissioner of public safety may require, including sworn statements of fact, and the commissioner of public safety shall thereupon determine whether such owner comes within the provisions of this paragraph.

If an owner has not used such vehicle for the transportation of livestock or unprocessed and raw farm products so as to be able to report gross receipts for the 12 month period as herein set forth, he may, nevertheless, apply for registration hereunder and pay the reduced tax and the commissioner of public safety shall, after consideration of the established facts, determine whether such owner is entitled to have such registration approved.

If an owner fails to operate under the conditions and limitations herein set forth, he shall immediately notify the commissioner of public safety of such fact and pay the difference between the scheduled gross weight tax and the reduced tax proportionate to the number of months remaining in the year, 1/12 of the difference for each month or fraction thereof, beginning with the month in which such operations were discontinued or changed.

If an owner first uses such vehicle for the transportation of livestock and unprocessed and raw farm products after the tax becomes due without reduction, no adjustment of refund of tax shall be made during that calendar year for reasons of transporting livestock and unprocessed and raw farm products.

All truck-tractors except those herein defined as farm and urban truck-tractors and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of such truck-tractor and any semi-trailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to such the gross weight tax imposed on the truck-tractor, each semi-trailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Urban Commercial zone trucks include only all trucks and all truck-tractors and semi-trailers used exclusively in transporting property within the metropolitan area consisting of Hennepin, Ramsey, Scott, Dakota, Anoka, Washington and Carver counties, or within the corporate limits of any city or contiguous cities or within one mile of cities of the first and second class. For the purposes of this clause a land area ceded to the United States of America under General Laws 1889, Chapter 57, is a statutory city. The vehicle shall not be operated outside the metropolitan area or corporate limits of such city or contiguous cities, or beyond one mile of cities of the first and second class; except that the commissioner of public safety may, by special permit, authorize the permanent removal of such vehicle from any registration area to another. The license plates issued therefor shall be plainly marked. On urban trucks and combinations the tax shall be based on total gross weight and shall be 30 percent of the Minnesota base rate prescribed in this subdivision under Schedule I during each of the first six years of vehicle life, but in no event less than \$19, and during the seventh and succeeding years of vehicle life as taken from Schedule II, but in no event less than \$11. In addition to such gross weight tax imposed on the truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects. Provided that on vehicles used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consist of at least 60 percent obtained solely from local cartage carriage, shall be taxed at 90 percent of the prescribed urban truck and combination rates for the life of the vehicle during each year such vehicle is used, provided that the gross revenues obtained from transportation services is obtained from local cartage carriage is at least 60 percent of all revenue obtained from transportation services by said person; and provided further, that said tax shall in no event be less than \$10. and semi-trailers which are:

(1) used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within the area defined in section 221.296, subdivision 1; or,

(2) operated by an interstate carrier registered pursuant to section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority pursuant to chapter 221, and operated solely within a zone exempt from regulation by the Interstate Commerce Commission pursuant to 49 U.S.C. 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. Any person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule,

except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

On all trucks, truck-tractors and semi-trailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by subdivision 1e, except as otherwise provided in this subdivision.

On all trucks, truck-tractors and semi-trailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, during each of the first eight years of vehicle life the tax shall be:

(a) for the registration year 1982, 83 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 89 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 12. Minnesota Statutes 1980, Section 168.013, Subdivision 1f, is amended to read:

Subd. 1f. [~~INTERCITY BUSES.~~] On all intercity buses, the tax during each the first two years of vehicle life shall be based on the gross weight of the vehicle and graduated according to the following schedule:

Gross Weight of Vehicle	Tax
Under 6,000 lbs.	\$125
6,000 to 8,000 lbs., incl.	125
8,001 to 10,000 lbs., incl.	125
10,001 to 12,000 lbs., incl.	150
12,001 to 14,000 lbs., incl.	190
14,001 to 16,000 lbs., incl.	210
16,001 to 18,000 lbs., incl.	225
18,001 to 20,000 lbs., incl.	260

20,001 to 22,000 lbs., incl.	300
22,001 to 24,000 lbs., incl.	350
24,001 to 26,000 lbs., incl.	400
26,001 to 28,000 lbs., incl.	450
28,001 to 30,000 lbs., incl.	500
30,001 and over	550

During each of the third and fourth years of vehicle life, the tax shall be 75 percent of the foregoing scheduled tax; during the fifth year of vehicle life, the tax shall be 50 percent of the foregoing scheduled tax; during the sixth year of vehicle life, the tax shall be 37 1/2 percent of the foregoing scheduled tax; and during the seventh and each succeeding year of vehicle life, the tax shall be 25 percent of the foregoing scheduled tax; provided that the annual tax paid in any year of its life for an intercity bus shall be not less than \$175 for a vehicle of over 25 passenger seating capacity and not less than \$125 for a vehicle of 25 passenger and less seating capacity.

On all intracity buses operated by an auto transportation company in the business of transporting persons for compensation as a common carrier and operating within the limits of cities having populations in excess of 200,000 inhabitants, the tax during each year of the vehicle life of each such bus shall be \$40; on all of such intracity buses operated in cities having a population of less than 200,000 and more than 70,000 inhabitants, the tax during each year of vehicle life of each bus shall be \$10; and on all of such intracity buses operating in cities having a population of less than 70,000 inhabitants, the tax during each year of vehicle life of each bus shall be \$2.

On all other buses the tax during each of the first three years of the vehicle life shall be based on the gross weight of the vehicle and graduated according to the following schedule: Where the gross weight of the vehicle is 6,000 pounds or less, \$25. Where the gross weight of the vehicle is more than 6,000 pounds, and not more than 8,000 pounds, the tax shall be \$25 plus an additional tax of \$5 per ton for the ton or major portion in excess of 6,000 pounds. Where the gross weight of the vehicle is more than 8,000 pounds, and not more than 20,000 pounds, the tax shall be \$30 plus an additional tax of \$10 per ton for each ton or major portion in excess of 8,000 pounds. Where the gross weight of the vehicle is more than 20,000 pounds and not more than 24,000 pounds, the tax shall be \$90 plus an additional tax of \$15 per ton for each ton or major portion in excess of 20,000 pounds. Where the gross weight of the vehicle is more than 24,000 pounds and not more than 28,000 pounds, the tax shall be \$120 plus an additional tax of \$25 per ton for each ton or major portion in excess of 24,000 pounds. Where the gross weight of the vehicle is more than 28,000 pounds, the tax shall be \$170 plus an additional tax of \$30 per ton for each ton or major portion in excess of 28,000 pounds.

During each of the fourth, fifth and sixth and succeeding years of vehicle life, the tax shall be 80 percent of the foregoing scheduled tax but in no event less than \$20 per vehicle.

During each of the seventh, eighth and ninth years of vehicle life, the tax shall be 60 percent of the foregoing scheduled tax but in no event less than \$16 per vehicle.

During the tenth and succeeding years of vehicle life, the tax shall be 40 percent of the foregoing scheduled tax but in no event less than \$12 per vehicle.

Sec. 13. Minnesota Statutes 1980, Section 168.013, Subdivision 1g, is amended to read:

Subd. 1g. [RECREATIONAL VEHICLES.] Selfpropelled recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight ~~at 100 percent of~~ and the tax shall be graduated according to the Minnesota base rate schedule prescribed in subdivision 1e ~~under Schedule I during each of the first six years of vehicle life, but in no event less than \$14, and during the seventh and succeeding years of vehicle life as taken from Schedule H, but in no event less than \$8~~ \$20, except as otherwise provided in this subdivision.

For all self-propelled recreational vehicles, the tax for the ninth and succeeding years of vehicle life shall be:

(a) for the 1982 registration year, 64 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 68 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 72 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year and each succeeding year, 75 percent of the tax imposed in the Minnesota base rate schedule.

Towed recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e ~~under Schedule I~~ but in no event less than \$5.

The annual tax on a slip-in camper as defined in section 168.011, subdivision 25, shall be as provided for selfpropelled recreational vehicles unless such owner elects to register such slip-in camper as a truck. If the owner elects to register such slip-in camper as a truck, the annual tax shall be either the tax imposed for selfpropelled recreational vehicles or the tax imposed for trucks on the basis of gross weight in subdivision 1e, whichever is higher. Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant to this section shall be exempt from any wheelage tax now or hereafter imposed by any political subdivision or political subdivisions.

Sec. 14. Minnesota Statutes 1980, Section 168.013, Subdivision 1h, is amended to read:

Subd. 1h. [MOTORIZED BICYCLES.] On motorized bicycles the tax is \$3 \$6, which includes the surtax provided for in subdivision 14.

Sec. 15. Minnesota Statutes 1980, Section 168.013, is amended by adding a subdivision to read:

Subd. 1i. [URBAN TRUCKS.] On all vehicles registered as urban trucks for the registration year 1981, or any part thereof, and which are not registered as commercial zone trucks for the registration year 1982 and succeeding years, the tax shall be:

(a) for the registration year 1982, 50 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 67 percent of the tax imposed in the

Minnesota base rate schedule;

(c) for the registration year 1984, 84 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Beginning with the registration year 1985, the registrar shall not issue urban license plates.

Sec. 16. Minnesota Statutes 1980, Section 168.013, Subdivision 2, is amended to read:

Subd. 2. [PRORATED FEES.] When a motor vehicle first becomes subject to taxation during the registration period for which the tax is paid, the tax shall be for the remainder of the period prorated on a monthly basis, 1/12 of the annual tax for each calendar month or fraction thereof; provided, however, that for a vehicle having an annual tax of \$5 \$10 or less there shall be no reduction until on and after September 1 when ~~such~~ the annual tax shall be reduced one-half.

Sec. 17. Minnesota Statutes 1980, Section 168.013, Subdivision 3, is amended to read:

Subd. 3. [APPLICATION; ~~CANCELLATION~~ CANCELLATION; EXCESSIVE GROSS WEIGHTS FORBIDDEN.] The applicant for all licenses based on gross weight shall state in writing upon oath, among other things, the unloaded weight of such vehicle or trailer and the maximum load the applicant proposes to carry thereon, the sum of which shall constitute the gross weight upon which the license tax shall be paid, but in no case shall the declared gross weight upon which the tax is paid be less than ~~4-1/2~~ 1-1/4 times the declared unloaded weight of the vehicle or trailer to be registered, except recreational vehicles taxed under subdivision 1g, school buses taxed under subdivision 18 and wreckers defined in section 169.01, subdivision 52. The gross weight of a wrecker is the actual weight of the wrecker fully equipped, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the wrecker.

The gross weight of no vehicle or trailer shall exceed the gross weight upon which the license tax has been paid by more than four percent or 1000 pounds, whichever is greater.

The gross weight of the vehicle or trailer for which such license tax is paid shall be indicated by a distinctive character on the license plate or plates except as provided in subdivision 12 and the plate or plates shall be kept clean and clearly visible at all times.

The owner, driver, or user of a vehicle or trailer upon conviction for transporting a gross weight in excess of the gross weight for which it was registered or for operating a vehicle with an axle weight exceeding the maximum lawful axle load weight shall be guilty of a misdemeanor and be subject to increased registration or re-registration according to the following schedule:

(1) The owner, driver or user of a vehicle or trailer upon conviction for transporting a gross weight in excess of the gross weight for which it is registered by more than four percent or 1000 pounds, whichever is greater, but less than 25 percent or for operating or using a vehicle or trailer with an axle

weight exceeding the maximum lawful axle load as provided in section 169.83 by more than four percent or 1000 pounds, whichever is greater, but less than 25 percent, in addition to any penalty imposed on him for the misdemeanor shall apply to the registrar to increase the authorized gross weight to be carried on the vehicle to a weight equal to or greater than the gross weight of which the owner, driver, or user was convicted of carrying, the increase computed for the balance of the calendar year on the basis of 1/12 of the annual tax for each month remaining in the calendar year beginning with the first day of the month in which the violation occurred. If the additional registration tax computed upon that weight, plus the tax already paid, amounts to more than the regular tax for the maximum gross weight permitted for such a vehicle under section 169.83, that additional amount shall nevertheless be paid into the highway fund, but the additional tax thus paid shall not be deemed to permit the vehicle to be operated with a gross weight in excess of the maximum legal weight as provided by section 169.83. Unless the owner within 30 days after such a conviction shall apply to increase the authorized weight and pay the additional tax as herein provided, the registrar shall revoke the registration on the vehicle and demand the return of the registration card and plates issued by him on that registration.

(2) The owner or driver or user of a vehicle or trailer upon conviction for transporting a gross weight in excess of the gross weight for which the vehicle or trailer was registered by 25 percent or more, or for operating or using a vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.83 by 25 percent or more, in addition to any penalty imposed on him for the misdemeanor, shall have the reciprocity privileges on the vehicle involved if the same is being operated under reciprocity canceled by the registrar, or if the vehicle is not being operated under reciprocity, the certificate of registration on the vehicle so operated shall be canceled by the registrar and the registrar shall demand the return of the registration certificate and registration plates. The registrar may investigate any allegation of gross weight violations and demand that the operator show cause why all future operating privileges in the state should not be revoked unless the additional tax assessed be paid.

(3) When the registration on a motor vehicle, trailer or semitrailer has been revoked by the registrar according to provisions of this section, such vehicle shall not be again operated on the highways of the state until it is registered or re-registered, as the case may be, and new plates issued, and the registration fee therefor shall be the annual tax for the total gross weight of the vehicle at the time of violation.

Sec. 18. Minnesota Statutes 1980, Section 168.017, Subdivision 1, is amended to read:

Subdivision 1. All passenger automobiles, ambulances, hearses, *pickup trucks*, and station wagons, ~~beginning April 1, 1975,~~ shall be registered by the registrar according to the monthly series system of registration prescribed by this section.

Sec. 19. Minnesota Statutes 1980, Section 168.017, Subdivision 3, is amended to read:

Subd. 3. All vehicles subject to registration under the monthly series system shall be registered by the registrar for a period of 12 consecutive calendar

months, except as follows:

- (a) If the application is an original rather than renewal application; or,
- (b) The application is the next registration occurring after a dealer or distributor has registered a motor vehicle prior to its assessment or taxation as personal property pursuant to section 168.28; or,
- (c) The application is a renewal application for a pickup truck for the registration year of ~~1975~~ 1982.

In such instance the registrar may register the vehicle which is the subject of the application for a period of not less than three nor more than 15 calendar months, when the registrar determines that such registration will help to equalize the registration and renewal work load of the department.

Sec. 20. [168.018] [QUARTERLY REGISTRATION OF FARM TRUCKS.]

The owner of any farm truck as defined in section 168.011, subdivision 17, may elect to register and license the farm truck only for one or more quarters of a registration year, at a tax of one-fourth of the annual tax on the vehicle plus \$5 for each quarterly registration. The expiration date of a quarterly registration shall be displayed on the license plate in such a manner as the registrar shall direct. No farm truck registered on a quarterly basis shall be operated on the public streets and highways more than ten days beyond the end of the quarter for which it is registered unless the registration has been renewed for another quarter or for the remainder of the registration year.

For purposes of this section registration quarters shall begin on March 1, June 1, September 1, and December 1.

Sec. 21. Minnesota Statutes 1980, Section 168.12, Subdivision 2, is amended to read:

Subd. 2. [AMATEUR RADIO STATION LICENSEE; SPECIAL LICENSE PLATES.] Any applicant who is an owner or joint owner of a motor vehicle and a resident of this state, and who holds an official amateur radio station license, or a citizens radio service class D license, in good standing, issued by the Federal Communications Commission shall upon compliance with all laws of this state relating to registration and the licensing of motor vehicles and drivers, be furnished with license plates for ~~such the~~ motor vehicle, as prescribed by law for passenger cars, upon which, in lieu of the numbers required for identification under subdivision 1, shall be inscribed the official amateur call letters of ~~such the~~ applicant, as assigned by the Federal Communications Commission. The applicant shall pay in addition to the registration tax required by law, the sum of ~~\$2.50~~ \$10 for ~~such the~~ special license plates, and at the time of delivery of ~~such the~~ special license plates the applicant shall surrender to the registrar the current license plates issued for ~~such the~~ motor vehicle. This provision for the issue of special license plates shall apply only if the applicant's passenger automobile is already registered in Minnesota so that the applicant has valid regular Minnesota plates issued for that passenger automobile under which to operate it during the time that it will take to have the necessary special license plates made. If the applicant owns or jointly owns more than one motor vehicle he may apply for special plates for each of not more than two vehicles, and, if each application complies with this subdivi-

sion, the registrar shall furnish the applicant with ~~such~~ the special plates, inscribed with the official amateur call letters and ~~such~~ other distinguishing information as the registrar considers necessary, for each of the two vehicles. And the registrar may make ~~such~~ reasonable regulations governing the use of ~~such~~ the special license plates as will assure the full compliance by the owner and holder of ~~such~~ the special plates, with all existing laws governing the registration of motor vehicles, the transfer and the use thereof. When the ownership of a motor vehicle for which ~~such~~ special license plates have been furnished by the registrar, changes from one person to another, the special license plates herein authorized shall be promptly removed from the motor vehicle by the seller and returned to the registrar, at which time the seller or the buyer of ~~such~~ the motor vehicle shall be entitled to receive license plates for ~~such~~ the motor vehicle as provided in section 168.15.

Sec. 22. Minnesota Statutes 1980, Section 168.12, Subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates shall be issued to any applicant for registration of a passenger automobile, station wagon, van or pickup truck with a gross weight of 9,000 pounds or less, or self-propelled recreational vehicle, upon compliance with all laws of this state relating to registration of the vehicle, and upon payment of a fee of ~~\$50~~ \$100 in addition to the registration tax required by law for the vehicle. In lieu of the numbers assigned as provided in subdivision 1, such personalized license plates shall have imprinted thereon a series of not to exceed any combination of six numbers and letters. When an applicant has once obtained personalized plates, he shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if he makes application for them at least 30 days prior to the first date on which his registration can be renewed. The commissioner of public safety shall adopt rules and regulations in the manner provided by chapter 15, regulating the issuance and transfer of such personalized license plates. No words or combination of letters placed on such personalized license plates may be used for commercial advertising or be of an obscene, indecent or immoral nature, or such as would offend public morals or decency. The call signals or letters of a radio or television station shall not be construed as commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by regulation provide a form for such notification.

The fee prescribed for personalized license plates shall be paid only in those years in which the number plate itself is issued, and shall not be payable in any year in which a year plate, tab or sticker is issued in lieu of a number plate.

All fees from the sale of personalized license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 23. Minnesota Statutes 1980, Section 168.16, is amended to read:

168.16 [REFUNDS; APPROPRIATION.]

After the tax upon any motor vehicle shall have been paid for any year,

refund shall be made for errors made in computing the tax or fees and for the error on the part of an owner who may in error have registered a motor vehicle that was not before, nor at the time of such registration, nor at any time thereafter during the current past year, subject to such tax in this state, provided that after more than two years after such the tax was paid no refund shall be made for any tax paid on any vehicle exempted from taxation by reasons of nonuse as provided by section 168.012. ~~Such~~ The refundment shall be made from any fund in possession of the registrar and shall be deducted from his monthly report to the commissioner of finance. A detailed report of ~~such the~~ refundment shall accompany the report. The former owner of a transferred vehicle by an assignment in writing endorsed upon his registration certificate and delivered to the registrar within the time provided herein may sell and assign to the new owner thereof the right to have the tax paid by him accredited to ~~such the~~ owner who duly registers ~~such the~~ vehicle. Any owner at the time of such occurrence, whose vehicle shall be permanently destroyed, ~~permanently removed from the state~~, or sold to the federal government, the state, or political subdivision thereof, shall upon filing a verified claim be entitled to a refund of the unused portion of the tax paid upon the vehicle, computed as follows:

(1) If the vehicle is registered under the calendar year system of registration, the refund is computed pro rata by the month, one-twelfth of the annual tax paid for each month of the year remaining after the month in which the plates and certificate were returned to the registrar;

(2) In the case of a vehicle registered under the monthly series system of registration, the amount of the refund is equal to the sum of the amounts of the license fee attributable to those months remaining in the licensing period after the month in which the plates and certificate were returned to the registrar.

~~Provided, however, that in the case of a vehicle permanently removed from the state and the registrar is satisfied that the registration plates and certificate have been surrendered to and canceled by the motor vehicle department of another state or country, he may compute the refund in the same manner as if such plates and certificate were returned to him as of the date of such surrender and cancellation.~~

There is hereby appropriated to the persons entitled to such a refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 24. Minnesota Statutes 1980, Section 168.27, Subdivision 16, is amended to read:

Subd. 16. [PLATES, DISTINGUISHING NUMBERS.] (a) The registrar shall issue to every motor vehicle dealer, upon a request from such motor vehicle dealer licensed as provided in subdivisions 2 or 3, one or more pair of number plates displaying a general distinguishing number upon the payment of \$10 to the registrar. In addition the dealer shall pay a motor vehicle excise tax of \$15 annually for each pair of dealer plates purchased as required by section 297B.035. The registrar shall deposit the tax in the state treasury and it shall be credited to ~~the general fund as provided in section 297B.09~~. Motor vehicles, new or used, owned by such motor vehicle dealer and bearing such number plates, except vehicles leased to the user who is not an employee of the dealer during the term of the lease, held for hire, or customarily used by the dealer as a tow truck, service truck, or parts pickup truck, may be driven upon the streets

and highways of this state by such motor vehicle dealer, or any employee of such motor vehicle dealer or by any member of the immediate family of such dealer or employee for either private or business purposes; or may be driven upon the streets and highways for demonstration purposes by any prospective buyer thereof for a period of 48 hours or in the case of a truck, truck-tractor, or semi-trailer, for a period of seven days.

(b) A new or used motor vehicle sold by such motor vehicle dealer and bearing the motor vehicle dealer's number plates may be driven upon the public streets and highways for a period of 72 hours by the buyer for either of the following purposes: (1) Removing the vehicle from this state for registration in another state, or (2) permitting the buyer to use the motor vehicle before he receives number plates pursuant to his own registration. Use of a motor vehicle by the buyer under the provisions of clause (2) of the preceding sentence before he receives number plates pursuant to his own registration constitutes a use of the public streets or highways for the purpose of the time requirements for registration of motor vehicles.

Sec. 25. Minnesota Statutes 1980, Section 168C.11, Subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT.] Subject to the provisions of subdivision 2, the commissioner shall appoint as deputy registrars of bicycles any bicycle dealer, or agent or employee thereof, or any agent or employee designated by a municipality that sells bicycles at public auction who applies for appointment in a manner prescribed by the commissioner; provided that concurrently there may be no more than one such deputy for each separate place of business of a bicycle dealer. Deputy registrars of bicycles shall act as agents of the commissioner and may accept registrations as provided in Laws 1976, Chapter 199, except that no deputy registrar of bicycles shall be required to register bicycles sold by other bicycle dealers. The commissioner, deputy registrars of motor vehicles, and deputy registrars of bicycles may charge and retain an additional ~~50 cents~~ \$1 per registration granted for their services. In the case of a deputy registrar of motor vehicles, the ~~50 cents~~ \$1 shall be deposited in the treasury of the place for which he is appointed, or if the deputy is not a public official he shall retain the filing fee. All other registration fees collected by the commissioner, deputy registrars of motor vehicles and deputy registrars of bicycles shall be processed, accounted for and transmitted to the state treasurer as required by the commissioner.

Sec. 26. Minnesota Statutes 1980, Section 169.11, is amended to read:

169.11 [CRIMINAL NEGLIGENCE.]

The commissioner of public safety shall revoke the driver's license, ~~and shall revoke the chauffeur's license,~~ of any person convicted of the crime of criminal negligence in the operation of a vehicle resulting in the death of a human being.

Sec. 27. Minnesota Statutes 1980, Section 169.79, is amended to read:

169.79 [VEHICLE REGISTRATION.]

No person shall operate, drive or park a motor vehicle on any highway unless the vehicle is registered in accordance with the laws of this state and has the number plates for the current year only, as assigned to it by the commissioner of public safety, conspicuously displayed thereon in a manner that the view of

any plate is not obstructed. If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer, or semitrailer, one such plate shall be displayed on the rear thereof; if the vehicle is a truck-tractor or road-tractor or farm truck, as defined in section 168.011, subdivision 17, but excluding from that definition semitrailers and trailers, one such plate shall be displayed on the front thereof; if it is any other kind of motor vehicle, one such plate shall be displayed on the front and one on the rear thereof. All plates shall be securely fastened so as to prevent them from swinging. The person driving the motor vehicle shall keep the plate legible and unobstructed and free from grease, dust, or other blurring material so that the lettering shall be plainly visible at all times.

Sec. 28. Minnesota Statutes 1980, Section 169.95, is amended to read:

169.95 [COURTS TO KEEP SEPARATE RECORDS OF VIOLATIONS.]

Every magistrate or judge of a court not of record, and every clerk of a court of record, shall keep a full record of every case in which a person is charged with any violation of this chapter or of any other law, or city ordinance, regulating the operation of vehicles on highways.

Within ten days after the conviction or forfeiture of bail of a person upon a charge of violating any provisions of this chapter or other law, or city ordinance, regulating the operation of vehicles on highways, every magistrate of the court, or clerk of the court of record in which such conviction was had or bail was forfeited, shall prepare and immediately forward to the department of public safety an abstract of the record of the court covering the case in which the person was so convicted or forfeited bail, which abstract must be certified by the person so required to prepare the same to be true and correct.

The abstract must be made upon a form furnished by the department of public safety, and shall include the name and address of the party charged, the driver's license number or chauffeur's license number of the person involved, the nature of the offense, the date of hearing, the plea, the judgment, or whether bail forfeited, and the amount of the fine or forfeiture, as the case may be.

Every court of record shall also forward a like report to the department of public safety upon the conviction of any person of manslaughter or other felony in the commission of which a vehicle was used.

The failure, refusal, or neglect of any such judicial officer to comply with any of the requirements of this section shall constitute misconduct in the office and shall be ground for removal therefrom.

Sec. 29. Minnesota Statutes 1980, Section 171.02, Subdivision 3, is amended to read:

Subd. 3. [MOTORIZED BICYCLES.] No motorized bicycle shall be operated on any public roadway by any person who does not possess a valid drivers license, unless the person has obtained a motorized bicycle operator's permit from the commissioner of public safety. The permit may be issued to any person who has attained the age of 15 years and who has passed the examination prescribed by the commissioner. The commissioner may promulgate rules and regulations prescribing the content of the examination and the information to be contained on the permit.

The fees for motorized bicycle operator's permit are as follows:

(a) Examination and operator's permit, valid for one year	\$2.50 \$ 4
(b) Duplicate	\$1.50 \$ 2
(c) Renewal permit before age 18 and valid until age 18	\$3 \$ 6
(d) Renewal permit after age 18 and valid for four years	\$5 \$ 10
(e) Duplicate of any renewal permit	\$2 \$ 3

Sec. 30. Minnesota Statutes 1980, Section 171.04, is amended to read:

171.04 [PERSONS NOT ELIGIBLE FOR DRIVER'S LICENSES.]

The department shall not issue a driver's license hereunder:

(1) To any person who is under the age of 16 years; to any person under 18 years unless such person shall have successfully completed a course in driver education, including both classroom and behind-the-wheel instruction, approved by the department of public safety or, in the case of a course offered by a private, commercial driver education school or institute employing driver education instructors, by the department of public safety, except when such person has completed a course of driver education in another state or has a previously issued valid license from another state or country; nor to any person under 18 years unless the application of license is approved by either parent when both reside in the same household as the minor applicant, otherwise the parent having custody or with whom the minor is living in the event there is no court order for custody, or guardian having the custody of such minor, or in the event a person under the age of 18 has no living father, mother or guardian, the license shall not be issued to such person unless his application therefor is approved by his employer. Behind-the-wheel driver education courses offered in any public school shall be open for enrollment to persons between the ages of 15 and 18 years residing in the school district or attending school therein. Any public school offering behind-the-wheel driver education courses may charge an enrollment fee for the behind-the-wheel driver education course which shall not exceed the actual cost thereof to the public school and the school district. The approval required herein shall contain a verification of the age of the applicant;

(2) To any person whose license has been suspended during the period of suspension except that a suspended license may be reinstated during the period of suspension upon the licensee furnishing proof of financial responsibility in the same manner as provided in the Minnesota no-fault automobile insurance act;

(3) To any person whose license has been revoked except upon furnishing proof of financial responsibility in the same manner as provided in the Minnesota no-fault automobile insurance act and if otherwise qualified;

(4) To any person who is ~~an habitual drunkard as determined by competent authority or is addicted to the use of narcotic drugs~~ a drug-dependent person as defined in section 254A.02, subdivision 5;

(5) To any person who has been adjudged legally incompetent by reason of mental illness, mental deficiency, or inebriation, and has not been restored to

capacity, unless the department is satisfied that such person is competent to operate a motor vehicle with safety to persons or property;

(6) To any person who is required by this chapter to take an examination, unless such person shall have successfully passed such examination;

(7) To any person who is required under the provisions of the Minnesota no-fault automobile insurance act of this state to deposit proof of financial responsibility and who has not deposited such proof;

(8) To any person when the commissioner has good cause to believe that the operation of a motor vehicle on the highways by such person would be inimical to public safety or welfare;

(9) To any person when, in the opinion of the commissioner, such person is afflicted with or suffering from such physical or mental disability or disease as will affect such person in a manner to prevent him from exercising reasonable and ordinary control over a motor vehicle while operating the same upon the highways; nor to a person who is unable to read and understand official signs regulating, warning, and directing traffic.

Sec. 31. Minnesota Statutes 1980, Section 171.06, Subdivision 1, is amended to read:

Subdivision 1. [FORMS OF APPLICATION.] Every application for an instruction permit or for a driver's license shall be made upon a form furnished by the department, and every application shall be accompanied by the proper fee. All such applications ~~except applications for renewal shall be signed in the presence of the person authorized to accept such the applications, or the signature on the application shall may be verified by a notary public. Payment of the fee for the Class B license and Class A license upon initial application will be at the place of application.~~

Sec. 32. Minnesota Statutes 1980, Section 171.06, Subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) The fees for a license ~~shall be and Minnesota identification card are~~ as follows:

Classified Driver License	C- \$5 \$10	B- \$10 \$15	A- \$15 \$20
Classified Provisional D.L.		C-3 \$6	B-5 \$10
Instruction Permit			2-00 \$4
Duplicate Driver or Provisional License			1-50 \$3
<i>Minnesota identification card, except as otherwise provided in section 171.07, subdivisions 3 and 3a</i>			\$6

Sec. 33. Minnesota Statutes 1980, Section 171.06, Subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF APPLICATION.] Every application shall state the full name, date of birth, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and shall state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever

been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and his ability to operate a motor vehicle with safety as may be required by the commissioner. ~~Such~~ *The application form shall contain a notification to the applicant of the availability of the donor document provided pursuant to section 171.07, subdivision 5, and shall contain spaces where the applicant must indicate a desire to receive or not to receive the donor document. The application shall be in the form prepared by the commissioner.*

Sec. 34. Minnesota Statutes 1980, Section 171.06, is amended by adding a subdivision to read:

Subd. 3a. [MIDDLE NAME MAY BE MAIDEN NAME.] For the purposes of subdivision 3, and section 171.07, subdivision 1, the full name of a married applicant may include, at the option of the applicant, the applicant's family name prior to marriage instead of the applicant's given middle name, notwithstanding the middle name specified on the applicant's marriage certificate.

Sec. 35. Minnesota Statutes 1980, Section 171.06, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION, FILING.] Any applicant for an instruction permit, a driver's license, restricted license, or duplicate license may file his application with a clerk of the district court or at a state office. ~~Such~~ The clerk or state office shall ~~and is hereby authorized to receive and accept such the application. To cover all expenses involved in receiving, accepting or forwarding to the department applications and fees, the state office may charge 50 cents for each application for an instruction permit, duplicate license, driver license or restricted license; such additional fee shall also be forwarded to the department.~~ To cover all expenses involved in receiving, accepting, or forwarding to the department applications and fees, the clerk of the district court may ~~charge and~~ retain a county fee of \$1 for each application for ~~an a Minnesota identification card, instruction permit, duplicate license, driver license, or restricted license; the county fee of \$1 shall be in addition to the fees otherwise provided by law.~~ The amount allowed to be retained by the clerk of the district court shall be paid into the county treasury and credited to the general revenue fund of the county. The clerk of court shall forward all applications and fees, less the amount herein allowed to be retained for expense, to the department within ~~45~~ ten days of the receipt by him. The clerks of the district courts may appoint agents to assist in accepting applications, but the clerks shall require every ~~such~~ agent to forward to the clerk by whom he is appointed all applications accepted and fees collected by him, except that an agent may retain one-half of the \$1 county fee to cover his expenses involved in receiving, accepting or forwarding the applications and fees. The clerks of court shall be responsible for the acts of agents appointed by them and for the forwarding to the department of all applications accepted and those fees collected by ~~such~~ agents and by themselves as are required to be forwarded to the department.

Sec. 36. Minnesota Statutes 1980, Section 171.07, Subdivision 1, is amended to read:

Subdivision 1. The department shall, upon the payment of the required fee, issue to every applicant qualifying therefor a license designating the type or class of vehicles he is authorized to drive as applied for, which license shall

bear thereon a distinguishing number assigned to the licensee, the full name, date of birth, residence address *and permanent mailing address if different*, a description of the licensee in such manner as the commissioner deems necessary, and a space upon which the licensee shall write his usual signature with pen and ink. No license shall be valid until it has been so signed by the licensee. Except in the case of an instruction permit, every license shall bear thereon a colored photograph of the licensee. Every license issued to an applicant under the age of 18 shall be of a distinguishing color and plainly marked "provisional". The department shall use such process or processes in the issuance of licenses that prohibits as near as possible, the ability to alter or reproduce the licenses, or prohibit the ability to superimpose a photo on such licenses without ready detection. ~~Each license certificate issued shall be on an all plastic or laminated plastic card with the identifying information embossed thereon.~~ A license issued to an applicant of age 65 or over shall be plainly marked "senior" if requested by the applicant.

Sec. 37. Minnesota Statutes 1980, Section 171.07, is amended by adding a subdivision to read:

Subd. 1a. [PHOTOGRAPHIC NEGATIVES; FILING; DATA CLASSIFICATION.] The department shall file, or contract to file, all photographic negatives obtained in the process of issuing driver licenses or Minnesota identification cards. The negatives shall be private data pursuant to section 15.162, subdivision 5a. Notwithstanding section 15.165, subdivision 3, the department shall not be required to provide copies of photographic negatives to data subjects. The use of the files is restricted to the issuance and control of driver licenses and for law enforcement purposes in the investigation and prosecution of felonies.

Sec. 38. Minnesota Statutes 1980, Section 171.07, Subdivision 3, is amended to read:

Subd. 3. Upon payment of the required fee ~~for a driver's license bearing a colored photograph~~, the department may issue to every applicant who does not physically qualify for a driver's license, or any person not currently licensed to drive, who does not intend to apply for a driver's license under this section or who wishes to discontinue driving and surrenders his current driver's license, a Minnesota identification card. The card shall bear ~~thereon~~ a distinguishing number assigned to the applicant, *a colored photograph*, the full name, date of birth, residence address, a description of the applicant in ~~such~~ *the* manner as the commissioner deems necessary, and a space upon which the applicant shall write his usual signature with pen and ink.

Each Minnesota identification card shall be ~~on an all plastic or laminated plastic card of a distinguishing color and~~ plainly marked "non-driver". 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.

Sec. 39. Minnesota Statutes 1980, Section 171.17, is amended to read:

171.17 [REVOCATION.]

The department shall forthwith revoke the license of any driver upon receiving a record of such driver's conviction of any of the following offenses:

(1) Manslaughter or criminal negligence resulting from the operating of a motor vehicle;

(2) ~~Operating a motor vehicle while under the influence of intoxicating liquor or narcotic drug Any violation of section 169.121;~~

(3) Any felony in the commission of which a motor vehicle was used;

(4) Failure to stop and disclose identity and render aid, as required under the laws of this state, in the event of a motor vehicle accident resulting in the death or personal injury of another;

(5) Perjury or the making of a false affidavit or statement to the department under any law relating to the ownership or operation of a motor vehicle;

(6) Except as this section otherwise provides, conviction, plea of guilty, or forfeiture of bail not vacated, upon three charges of violating, within a period of 12 months any of the provisions of chapter 169, or of the rules, regulations, or municipal ordinances enacted in conformance therewith for which the accused may be punished upon conviction by imprisonment;

(7) Conviction of an offense in another state which, if committed in this state, would be grounds for the revocation of the driver's license.

When any judge of a juvenile court, or any of its duly authorized agents, shall determine, formally or informally, that any person under the age of 18 years has committed any offense defined in this section, such judge, or duly authorized agent, shall immediately report such determination to the department, and the commissioner shall immediately revoke the license of that person.

Upon revoking the license of any person, as hereinbefore in this chapter authorized, the department shall immediately notify the licensee, in writing, by depositing in the United States post-office a notice addressed to the licensee at his last known address, with postage prepaid thereon.

Sec. 40. Minnesota Statutes 1980, Section 171.29, is amended to read:

171.29 [REVOKED LICENSES; EXAMINATION FOR NEW LICENSES.]

Subdivision 1. No person whose drivers license has been revoked by reason of conviction, plea of guilty, or forfeiture of bail not vacated, ~~upon three charges of careless or reckless driving, committed within a period of 12 months, or a person who is convicted of a charge of driving under the influence of alcoholic beverage or narcotic drug, under section 171.17 or 65B.67, or revoked under section 169.123~~ shall be issued another license unless and until he shall have successfully passed an examination as required for an initial license.

Subd. 2. Any person ~~who is required to take an examination as provided in subdivision 1 shall pay a fee of \$2.50 for each examination whose drivers license has been revoked as provided in subdivision 1 shall pay a \$30 fee before his drivers license is reinstated.~~

Sec. 41. Minnesota Statutes 1980, Section 174.23, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The commissioner shall have all powers necessary and convenient to carry out the provisions of sections 174.21 to 174.27 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 174.21 to 174.27, and (c) act upon request as the designated agent of any eligible person for the receipt and disbursement of federal funds. The commissioner shall perform the duties and exercise the powers under sections 174.21 to 174.27 in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs. *The commissioner shall set guidelines for financial assistance under the public transit subsidy program. The commissioner shall present any proposed guidelines to a legislative committee composed of equal numbers appointed by the house local and urban affairs and senate transportation committees. The commissioner shall not implement any new guidelines, between the period January 1, 1981 to April 15, 1982, without the prior approval of that committee.*

Sec. 42. Minnesota Statutes 1980, Section 174.24, Subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the 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. To be eligible for financial assistance an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section. The commissioner may adopt rules establishing performance standards for public transit systems for use in determining the amount of assistance which may be paid to an eligible recipient. Except as otherwise provided in this subdivision, payments shall not exceed two-thirds of the operating deficit of a public transit system. The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district as defined in section 473.446, subdivision 2. Payments to those private operators shall be based on the uniform performance standards and shall not exceed 100 percent of the operating deficit. ~~Payments to the metropolitan transit commission shall be based upon a performance funding system as provided in section 174.28.~~

Sec. 43. Minnesota Statutes 1980, Section 174.24, is amended by adding a subdivision to read:

Subd. 3a. [TRANSIT COMMISSION.] The commissioner shall provide financial assistance by contract to the metropolitan transit commission from appropriations provided for that purpose.

Sec. 44. [174.265] [METROPOLITAN TRANSIT SERVICE DEMONSTRATION PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them, unless the context requires otherwise.

(a) "Available local transit funds" means an amount equal to 90 percent of the tax proceeds which would accrue to the metropolitan transit commission from a tax levied in the applicant community or communities in accordance with section 473.446, subdivision 1, clauses (a) to (c).

(b) "Off-peak hours" has the meaning given it in section 473.408, subdivision 1.

Subd. 2. [ESTABLISHMENT OF PROGRAM.] A metropolitan transit service demonstration program is established to provide financial assistance for projects designed to test the efficiency and effectiveness of alternative methods of providing public transit service for communities that are within the metropolitan transit taxing district but are not adequately served by existing regular route transit.

Subd. 3. [ELIGIBILITY.] The commissioner may provide assistance under the program to any statutory or home rule charter city or town, or group of such cities or towns, which: (a) is located within the metropolitan transit taxing district, as defined in section 473.446, subdivision 2; (b) is not served by the metropolitan transit commission or is served only with bus routes which end or begin within the city or town, or group of cities or towns; and (c) has fewer than four scheduled runs of bus service provided by the commission during off-peak hours. Eligible cities or towns may apply on behalf of any operator of public transit with whom they propose to contract for service.

Subd. 4. [ASSISTANCE FOR REPLACEMENT SERVICE.] An application for financial assistance for replacement services shall: describe the existing service provided to the applicant by the metropolitan transit commission, including the estimated number of passengers carried and the routes, schedules, and fares; describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of state assistance requested for the replacement services. Financial assistance shall not be granted under this subdivision unless the commissioner determines that the service proposed for funding is intended and designed to replace and substitute for that provided by the metropolitan transit commission at the time of application and that the average subsidy per passenger for the replacement service will not exceed the average subsidy per passenger during the six months preceding the application on the commission's routes which serve the applicant communities. If the applicant communities are not served by the commission at the time of the application, the average subsidy per passenger for the replacement service shall not exceed the average subsidy per passenger during the six months preceding the application on all routes of the commission extending into zone four. After the first year of replacement service, the maximum subsidy shall be escalated at a rate equal to the rate of inflation in the revised consumer price index for all urban consumers in the Minneapolis-St. Paul metropolitan area. The amount of financial assistance provided for replacement service under this subdivision shall not exceed the sum of: (a) the portion of the

available local transit funds which the applicant proposes to use to subsidize the service, and (b) an amount of state assistance bearing an identical proportional relationship to the amount under (a) as the total amount of state assistance available to the metropolitan transit commission under section 33 bears to the total amount of taxes collected by the commission under section 473.446, subdivision 1, clauses (a) to (c). The commissioner shall transfer the amounts provided to the recipient from the assistance available to the metropolitan transit commission pursuant to section 174.24, subdivision 3.

Subd. 5. [ASSISTANCE FOR ADDITIONAL SERVICE.] Any city or town or group of cities or towns receiving financial assistance under subdivision 4 may also receive assistance pursuant to section 174.24, subdivision 3, or section 174.25. In addition to the information required of applicants for assistance under those sections, an application shall describe the portion of the available local transit funds which are not obligated to subsidize replacement service, under the assistance contract entered into pursuant to subdivision 4, and which the applicant proposes to use to subsidize additional services. An applicant which has exhausted its available local transit funds may use any other local subsidy funds to complete the required local share. If the commissioner grants financial assistance pursuant to this subdivision, the commissioner shall transfer the portion of the available local transit funds which the applicant proposes to use to subsidize the additional service from the assistance available to the metropolitan transit commission pursuant to section 174.24, subdivision 3.

Sec. 45. Minnesota Statutes 1980, Section 174.31, is amended to read:

174.31 [~~SPECIAL DEMONSTRATION PROJECT; COORDINATION OF SPECIAL TRANSPORTATION SERVICE IN THE METROPOLITAN AREA.~~]

Subdivision 1. [ESTABLISHMENT; OBJECTIVES.] A ~~special demonstration~~ project for coordination of special transportation service in the metropolitan area as defined in section 473.121, subdivision 2, shall be established and implemented by the commissioner with the following objectives:

(a) To provide greater access to transportation for the elderly, handicapped and others with special transportation needs in the metropolitan area and particularly to fill all unmet needs for that transportation in the transit taxing district as defined in section 473.446, subdivision 2; ~~and~~

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner ~~using existing public and private providers of service; and~~

(c) ~~To use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.~~

For the purpose of this section "project" means the ~~demonstration~~ project established under this subdivision.

Subd. 2. [FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS.] The project shall be operated pursuant to the rules governing and funded with money available under the paratransit grant pro-

gram. The commissioner shall not operate the project but shall contract for services necessary for its operation. All transportation service provided through the project shall be provided under a contract between the commissioner and the provider which specifies the service to be provided and the rates for providing it. The commissioner shall establish a committee to set management policies for the project. The management policy committee shall include the commissioner or his designee, representatives of persons contracting to provide services for the project, a representative of the metropolitan council, a representative of the metropolitan transit commission and at least two representatives of the task force established to advise the committee. The meetings of the management policy committee shall be public and minutes of all meetings shall be taken, preserved and made available for public inspection. The commissioner shall establish an advisory task force of individuals representing the elderly, handicapped and other users of service provided by the project to advise the management policy committee.

Subd. 3. [DUTIES OF COMMISSIONER.] In implementing the project the commissioner shall:

(a) Encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

(b) Contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) Encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;

(d) Insure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;

(e) Encourage shared rides to the greatest extent practicable;

(f) Insure that a full range of service is made available through the project to all parts of the metropolitan transit taxing district;

(g) Encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services.

(h) *Adopt rules by January 15, 1982, establishing criteria to be used in determining individual eligibility for special transportation services.*

Subd. 4. [COORDINATION REQUIRED.] The commissioner shall not grant any financial assistance under section 174.24 or 174.25 to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the commissioner. ~~A recipient of a grant made before June 8, 1979 shall coordinate its program with the project as far as practicable but shall not be denied any additional grant for which it is otherwise qualified solely because it is not coordinated with the project.~~

Subd. 4a. [EQUITABLE ALLOCATION AND ANNUAL REALLOCATION.] *The commissioner shall distribute all available funding under this*

section in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, handicapped, disabled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service and who reside in the east and west service areas, including suburbs.

Subd. 5. [~~COMPLIANCE WITH OPERATING AND SERVICE STANDARDS.~~] A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 shall not be allowed to provide service through the project after January 1, 1981, unless a current certificate of compliance has been issued to the vehicle. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the commissioner of transportation and the person denied service describing the corrective measures necessary to qualify for service.

Subd. 6. [EVALUATION AND REPORTS.] The commissioner shall evaluate the project and submit a report to the legislature in January, 1981, including the following information:

(a) All amounts of money spent or obligated for the project by the commissioner and the persons receiving those amounts;

(b) The types of service provided, number of individuals served and areas covered;

(c) A comparison of the cost of providing different types of service;

(d) A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.

The commissioner shall submit a preliminary report to the legislature in January, 1980, covering the above information to the extent it is available at that time.

Subd. 7. [EXPIRATION OF PROJECT.] The project shall expire June 30, 1981, and the commissioner shall not enter a contract or make any grant the proceeds of which may be expended for the purpose of implementing or continuing the project beyond June 30, 1981.

Sec. 46. Minnesota Statutes 1980, Section 296.02, Subdivision 1, is amended to read:

Subdivision 1. [TAX IMPOSED FOR MOTOR VEHICLE USE.] There is hereby imposed an excise tax of ~~44~~ 13 cents per gallon on all gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. This tax shall be payable at the times, in the manner, and by persons specified in this chapter.

(a) Notwithstanding any other provision of law to the contrary, the tax

imposed on special fuel sold by a qualified service station shall not exceed, or the tax on gasoline delivered to a qualified service station shall be reduced to, a rate not more than 3 cents per gallon above the state tax rate imposed on such products sold by a service station in a contiguous state located within the distance indicated in clause (b).

(b) A "qualifying service station" means a service station located within 7.5 miles, measured by the shortest route by public road, from a service station selling like product in the contiguous state.

(c) A qualified service station shall be allowed a credit by the supplier or distributor, or both, for the amount of reduction computed in accordance with clause (a).

A qualified service station, before receiving the credit, shall be registered with the commissioner of revenue.

Sec. 47. Minnesota Statutes 1980, Section 297B.035, Subdivision 2, is amended to read:

Subd. 2. Motor vehicles which satisfy the definitions of subdivision 1, shall be taxed at a yearly rate of \$15 per set of dealer plates. This tax shall be paid when dealer plates are purchased and shall be deposited in the state treasury and credited to the general fund as provided in section 297B.09. This tax shall be in lieu of any other state sales, excise, or use tax.

Sec. 48. Minnesota Statutes 1980, Section 297B.09, is amended to read:

297B.09 [ALLOCATION OF REVENUE.]

Subdivision 1. [GENERAL FUND SHARE.] All moneys collected and received under Laws 1971, Chapter 853, under 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. in the state treasury and credited as follows:

(a) All of the proceeds collected until June 30, 1983 shall be credited to the general fund;

(b) Three-fourths of the proceeds collected after June 30, 1983 and before July 1, 1985 shall be credited to the general fund;

(c) One-half of the proceeds collected after June 30, 1985 and before July 1, 1987 shall be credited to the general fund;

(d) One-fourth of the proceeds collected after June 30, 1987 and before July 1, 1989 shall be credited to the general fund;

(e) After June 30, 1989, none of the proceeds collected shall be credited to the general fund.

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND SHARE.] The proceeds collected under this chapter and not credited to the general fund shall be deposited in the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund.

Sec. 49. Minnesota Statutes 1980, Section 299D.03, Subdivision 5, is amended to read:

Subd. 5. [FINES AND FORFEITED BAIL MONEY.] (a) All fines and

forfeited bail money, from traffic and motor vehicle law violations, collected from persons apprehended or arrested by such employees, shall be paid by the justice of the peace, or such other person or officer collecting such fines, forfeited bail money or installments thereof, on or before the tenth day after the last day of the month in which such moneys were collected, to the county treasurer of the county where the violation occurred. Three-eighths of such receipts shall be credited to the general revenue fund of the county. The other five-eighths of such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the trunk highway fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be credited to the general revenue fund of the county, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be transmitted to the state treasurer as provided in this subdivision. All costs of participation in a nation-wide police communication system chargeable to the state of Minnesota shall be paid from appropriations for that purpose.

(b) Notwithstanding any other provisions of law, all fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by such employees, shall be paid by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the county treasurer of the county where the violation occurred. All such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the trunk highway fund.

Sec. 50. Minnesota Statutes 1980, Section 473.164, Subdivision 3, is amended to read:

Subd. 3. At the conclusion of each budget year, the council, in cooperation with each commission, shall adopt a final statement of costs incurred by the council for each commission. Where costs incurred in the budget year have exceeded the amount budgeted, each commission shall transfer to the council the additional moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the council and applied to the payment of budgeted costs in the next year. Costs incurred during 1976 shall be reimbursed to the council by each commission on or before December 31, 1976 following receipt and in accordance with a statement of costs transmitted by the council. *Notwithstanding the provisions of this section, after July 1, 1981, the metropolitan council shall not charge the metropolitan transit commission for any costs incurred by the council for the study of light rail transit unless the study plan and budget have been approved by the metropolitan transit commission.*

Sec. 51. Minnesota Statutes 1980, Section 473.408, Subdivision 6, is amended to read:

Subd. 6. [MONTHLY PASSES.] The commission shall may offer monthly passes for regular route bus service for sale to the general public. ~~The passes shall be offered at a discount at least as great as the discount provided on passes sold by the commission in January, 1979.~~

Sec. 52. Minnesota Statutes 1980, Section 473.408, Subdivision 7, is

amended to read:

Subd. 7. [EMPLOYEE PLAN.] The commission shall ~~may~~ offer monthly passes for regular route bus service for sale to employers at a special discount subject to the provisions of this subdivision. An employer is ~~may be~~ eligible to purchase passes at a special discount if the employer agrees to establish a payroll deduction plan as a means for its employees to purchase the passes at a price at or below the amount charged by the commission. The special discount on passes sold pursuant to this subdivision shall be ~~two dollars on a single zone pass and a proportionate amount on other passes. The special discount is in addition to the discount provided on passes sold to the general public determined by the commission.~~

Sec. 53. Minnesota Statutes 1980, Section 473.411, Subdivision 1, is amended to read:

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~~ The program shall provide for coordination of routes and operations of all publicly and privately owned ~~transportation transit and paratransit~~ facilities within the transit area to the end that combined efficient and rapid ~~transportation transit and paratransit~~ may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration ~~transportation transit or paratransit~~ 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 transit and paratransit~~ routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The ~~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 as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Sec. 54. Minnesota Statutes 1980, Section 473.446, is amended to read:

473.446 [TRANSIT TAX LEVIES.]

Subdivision 1. [AMOUNT TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, *except as otherwise provided in this subdivision* the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined ~~herein~~ *in subdivision 2*, a transit tax consisting of:

(a) An amount equal to 1.72 mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating ~~regular route bus transit and paratransit~~ service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

In any statutory or home rule charter city or town in the metropolitan transit taxing district which is receiving financial assistance under section 44, the commission shall levy a tax equal to ten percent of the sum of levies provided for in clauses (a) to (c), plus a levy sufficient to yield the amounts of available local transit funds transferred pursuant to section 44 from the state assistance available to the commission, less any amount paid to the commission by the city or town under a contract for service entered into pursuant to subdivision 2 of this section.

Subd. 1a. [TAXATION WITHIN TRANSIT AREA.] For the purposes of sections 473.401 to 473.451, and the metropolitan transit system, the metropolitan transit commission shall levy upon all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district, defined ~~herein~~ *in subdivision 2*, a transit tax, which shall be equal to ten percent of the sum of the levies provided in subdivision 1, *clauses (a) to (c)*. *The proceeds of this tax shall be used only for paratransit services or ride sharing programs designed to serve persons located within the transit area but outside of the transit taxing district.*

Subd. 2. [TRANSIT TAXING DISTRICT.] The metropolitan transit taxing district is hereby designated as that portion of the metropolitan transit area lying within the following named cities, towns, or unorganized territory within the counties indicated:

(a) Anoka county. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;

(b) Carver county. Chanhassen, the city of Chaska, ~~Victoria~~;

(c) Dakota county. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lillydale, Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;

(d) Ramsey county. All of the territory within Ramsey county;

(e) Hennepin county. Bloomington, Brooklyn Center, Brooklyn Park, Champlin, Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley, Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis, Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield, Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata, Woodland, the unorganized territory of Hennepin county;

(f) Scott county. Prior Lake, Savage, Shakopee;

(g) Washington county. Baytown, the city of Stillwater, White Bear Lake, Bayport, Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mah-tamedi, Newport, Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury.

The commission in its sole discretion may provide transit service by contract beyond the boundaries of the metropolitan transit taxing district *or to cities and towns within the taxing district which are receiving financial assistance under section 44*, upon petition therefor by an interested city, township or political subdivision within the metropolitan transit area. The commission may establish such terms and conditions as it deems necessary and advisable for providing the transit service, including such combination of fares and direct payments by the petitioner as will compensate the commission for the full capital and operating cost of the service and the related administrative activities of the commission. The amount of the levy made by any municipality to pay for the service shall be disregarded when calculation of levies subject to limitations is made, *provided that cities and towns receiving financial assistance under section 44 shall not make a special levy under this subdivision without having first exhausted the available local transit funds as defined in section 44*. The commission shall not be obligated to extend service beyond the boundaries of the taxing district, *or to cities and towns within the taxing district which are receiving financial assistance under section 44*, under any law or contract unless or until payment therefor is received.

Subd. 2a. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] The provisions of ~~subdivision~~ *subdivisions 1 and 2* or any other law changing the boundaries of the metropolitan transit taxing district *or reducing the levy otherwise required to be levied within the district* shall not be deemed to impair the rights of holders of outstanding indebtedness of the commission to require the levy of property taxes, if necessary to provide for any deficiency in accordance with the conditions of such indebtedness, on all property within the limits of the metropolitan transit taxing district as such limits were in effect at the date of issuance of such indebtedness.

Subd. 3. [CERTIFICATION AND COLLECTION.] On or before October 10 in each year the commission shall certify the total amount of the tax levied pursuant to subdivision 1 to the auditor of each metropolitan county. Each county auditor shall then assess and extend upon the tax rolls in his county that proportion of the tax which the assessed value of taxable property in his county bears to the assessed value of all taxable property in the metropolitan area. Each county treasurer shall collect and make settlement of such taxes with the treasurer of the commission. The levy of transit taxes pursuant to this section shall not affect the amount or rate of taxes which may be levied by any county or

municipality or by the commission for other purposes authorized by law and shall be in addition to any other property tax authorized by law.

Sec. 55. [APPROPRIATION.]

Subdivision 1. [PUBLIC TRANSIT.] The sum of \$50,925,000 is appropriated from the general fund to the commissioner of transportation. Of this appropriation, \$21,675,000 shall be available for expenditure the first year and \$29,250,000 for expenditure the second year of the biennium. The appropriation shall be available for the purpose of providing the following:

- (a) metropolitan transit commission operating grants;
- (b) metropolitan transit commission social fares;
- (c) metropolitan transit commission project mobility;
- (d) metro mobility projects;
- (e) metro mobility control center;
- (f) private operators — metropolitan area;
- (g) non-metropolitan transit commission operating assistance statewide;

For purposes of this subdivision, the payments to the non-metropolitan transit systems shall be made in the following manner:

- 50 percent of the total contract amount in the first month of operation;
- 40 percent of the total contract amount in the sixth month of operation; and
- 10 percent of the total contract amount after final audit.

- (h) public transit capital grants;

(i) Amtrak rail subsidy - Duluth-Twin Cities. The funds are available to match federal Amtrak funds. This appropriation is available until December 31, 1981.

The metropolitan transit commission shall not raise its base fare more than ten cents over the level existing on January 1, 1981.

The metropolitan transit commission shall not increase its support staff beyond the actual level existing on December 1, 1980. For purposes of this subdivision, support staff includes all staff other than drivers, mechanics, and security personnel.

The commission may request additional funding from the fuel and utilities contingent account in order to offset unanticipated fuel cost increases.

The sum of \$20,000 is appropriated from the general fund to the legislative coordinating commission to conduct a study of state subsidies to public transit. The commission may delegate responsibility and appropriations for the study to an existing staff office of the house of representatives or the senate, a joint legislative commission or office, a state agency, or contract independently for research services. The purpose of the study is to evaluate transit systems receiving financial and technical assistance under sections 174.24 and 174.25, to evaluate alternative methods of allocating state subsidy funds, and to develop state policy on the subsidy of local transit systems. The commission shall require preparation of a research design and work plan as a condition of

delegation of responsibility and appropriations.

Subd. 2. [RIDE SHARING.] The sum of \$75,000 for the first year and \$50,000 for the second year of the biennium are appropriated from the trunk highway fund to the commissioner of transportation to continue operation of the rideshare program implemented pursuant to section 174.257. The commissioner shall complete program development and transfer responsibility for local program planning and operation activity to private operators or local authorities, or any combination of them, by June 30, 1983, when the state participation in the program shall cease. A status report shall be presented to the legislature by January 15, 1982. The rideshare program shall be administered so as to ensure maximum use of available federal aid. The commissioner shall not expend more than \$250,000 for the first year and \$150,000 for the second year of federal aid funds for any activities related to ridesharing, including but not limited to, promoting ridematching and professional services, if federal funds are or may be available for highway improvement or maintenance purposes.

Subd. 3. [BALANCES.] Any encumbered balance remaining in the first year shall not cancel but be available for the second year of the biennium.

Sec. 56. Laws 1969, Chapter 192, Section 1, is amended to read:

Section 1. [MOORHEAD, CITY OF; BUS SERVICE.] ~~The governing body of the city of Moorhead may contract with the owners or operators of a bus transportation service upon such terms and conditions as may be agreed upon between them for public transportation service is authorized to provide and assist public transportation services through acquisition, construction or operation, directly or by lease or contract, within the city Moorhead-Fargo urbanized area. The city's annual obligation, if any, under such contract shall not exceed the amount produced by applying one mill two mills to the dollar value of all taxable property within the city. The limitation imposed under this section is expressed as an amount determined after the enactment of Minnesota Statutes, Sections 273.1101 to 273.1103. The levy permitted by this section shall be disregarded in the calculation of any other levies or limitations on levies permitted or provided by other law or charter.~~

Sec. 57. Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended by Laws 1973, Chapter 325, Section 1, is amended to read:

Sec. 11. [DULUTH, CITY OF; TRANSIT AUTHORITY.]

Subdivision 1. Notwithstanding anything to the contrary contained in the charter of the city of Duluth, any ordinance thereof, or any statute applicable thereto, limiting the amount levied in any one year for general or special purposes, the city council of the city of Duluth shall each year, at the time the tax levies for the support of the city are made, levy a tax on all taxable property in an amount not to exceed 4-5 3 mills in any year, by ordinance, ~~subject to the referendum provisions of the home rule charter of the city of Duluth. An ordinance fixing the levy shall take effect immediately upon its passage and approval.~~ The proceeds from such levy shall be paid into the city treasury, and shall be deposited in the operating fund provided for in section 4, subdivision 3, of this act.

Sec. 58. [REPEALER.]

Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and

174.31, Subdivisions 6 and 7, are repealed.

Sec. 59. [EFFECTIVE DATE.]

Sections 2 to 21 and 27, and the repeal of Minnesota Statutes 1980, Section 168.013, Subdivision 17, are effective November 15, 1981, for the year 1982 and subsequent years, provided that for vehicles registered under the monthly system on November 15, 1981, the increases provided in section 7 are effective on the date of the first renewal application. Sections 23, 25, 29, 31, 32, 33, 36, 38, 40, 42, 43, 44, 45, 49, 51, 52, 53, 54, 55, and 58 are effective July 1, 1981. Sections 22, 37, 41 and 50 are effective the day following final enactment. Section 34 is effective January 1, 1983. Section 46 is effective June 1, 1981, and applies to all gasoline in distributor storage on that date. Section 56 is effective the day after the filing of a certificate of local approval by the governing body of the city of Moorhead in compliance with Minnesota Statutes, Section 645.021, Subdivision 3. Section 57 is effective only with approval of a majority of the voters of the city voting on the question of its approval at a special or regular election. It shall then take effect the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 2."

Amend the title as follows:

Page 1, line 6, after "plates" insert "; defining and clarifying certain gross weights; providing for temporary farm truck licenses; increasing the tax on gasoline"

Page 1, line 16, after "a" insert "certain" and delete "of four years"

Page 1, line 18, delete everything after the semicolon

Page 1, delete lines 19 to 24

Page 1, line 25, delete "transportation system;"

Page 1, line 31, delete "city" and insert "cities"

Page 1, line 31, after "Moorhead" insert "and Duluth"

Page 1, line 35, delete "and" and insert a comma

Page 1, line 35, after "10" insert ", 16, 17, and 25"

Page 1, line 36, after "1h" insert ", 2, 3"

Page 1, line 36, after "subdivision" insert "; 168.017, Subdivisions 1 and 3;"

Page 1, line 40, after "2" insert ", 3"

Page 1, line 41, delete "and" and insert a comma

Page 1, line 41, after "3" insert "and by adding a subdivision"

Page 1, line 41, after "171.29" insert "; 174.23, Subdivision 1"

Page 1, line 43, delete "174.50" and insert "296.02"

Page 1, line 44, after "5;" insert "473.164, Subdivision 3;"

Page 1, line 46, delete "Chapter" and insert "Chapters"

Page 1, line 46, after "1" insert "; and 720, Section 11"

The motion prevailed. So the amendment was adopted.

Mrs. Lantry then moved to amend the Lantry amendment to H. F. No. 553 as follows:

Page 6, line 24, after "year" insert "*and each succeeding year*"

Page 6, line 25, delete ".75" and insert "1.25"

Page 6, delete lines 26 and 27

Page 6, line 28, delete "base value"

Page 8, lines 4, 7, and 11, delete "\$5" and insert "\$13"

Page 8, lines 8 and 13, delete "\$10" and insert "\$18"

Page 8, line 8, delete "and" and insert a comma

Page 8, line 10, delete "\$15" and insert "\$22, and for registrations renewed on or after January 1, 1985, the annual additional tax shall be \$25"

Page 8, line 13, delete "and"

Page 8, line 14, delete "\$15" and insert "\$22"

Page 8, line 14, after "1984" insert "*and \$25 for any registration renewed after January 1, 1985*"

Page 48, line 5, delete "until" and insert "before"

Page 48, line 17, after "FUND" insert "AND TRANSIT ASSISTANCE FUND"

Page 48, line 20, after "fund" insert "*and the transit assistance fund*"

Page 48, line 20, delete "same" and insert "following"

Page 48, line 20, delete "and for" and insert a colon

Page 48, delete line 21 and insert:

"(a) None of the proceeds collected before June 30, 1983 shall be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, 1983 and before July 1, 1985 shall be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 6.25 percent of the proceeds shall be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(c) 37.5 percent of the proceeds collected after June 30, 1985 and before July 1, 1987 shall be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds shall be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) 56.25 percent of the proceeds collected after June 30, 1987 and before July 1, 1989 shall be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds shall be credited to the transit assistance fund account to be appropriated to the commissioner of

transportation for transit assistance within the state.

(e) 75 percent of the proceeds collected after June 30, 1989 shall be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds shall be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state."

Page 55, line 16, delete "\$50,925,000" and insert "\$50,800,000"

Page 55, line 18, delete "\$21,675,000" and insert "\$21,600,000"

Page 55, line 19, delete "\$29,250,000" and insert "\$29,200,000"

Page 55, line 20, after the period, insert "The actual line item amounts shall be detailed on the worksheets of the appropriate standing committees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of transportation."

Amend the title amendment as follows:

Page 59, after line 5, insert:

"Page 1, line 15, after "fund" insert ", the transit assistance fund,""

Page 59, after line 7, insert:

"Page 1, line 16, delete "four" and insert "eight"

Page 1, line 17, delete "all"

Page 1, line 18, after "distribution" insert "and transit assistance"

The motion prevailed. So the amendment to the amendment was adopted.

Mrs. Kronebusch moved to amend the Lantry amendment to H. F. No. 553 as follows:

Page 32, line 11, strike "shall not exceed" and insert "will be equal to"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Sieloff moved to amend the Lantry amendment to H.F. No. 553, as follows:

Page 15, line 5, delete "eight" and insert "six"

Page 15, line 7, delete "ninth" and insert "seventh"

The question was taken on the adoption of the amendment to the amendment.

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

Those who voted in the affirmative were:

Bang	Frederick	Kronebusch	Peterson, R. W.	Rued
Berg	Hughes	Merriam	Ramstad	Sieloff
Bernhagen	Kamrath	Peterson, D. L.	Renneke	Vega
Davis				

Those who voted in the negative were:

Belanger	Frank	Lessard	Peterson, C.C.	Stokowski
Benson	Frederickson	Luther	Petty	Stumpf
Berglin	Hanson	Menning	Pillsbury	Taylor
Chmielewski	Humphrey	Moe, D. M.	Purfeerst	Tennessee
Dahl	Johnson	Moe, R. D.	Schmitz	Waldorf
Davies	Keefe	Nelson	Setzépand	Wegener
Dicklich	Knoll	Olhoft	Sikorski	Willet
Dieterich	Langseth	Pehler	Solon	
Engler	Lantry	Penny	Stern	

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

Mr. Pehler moved to amend the Lantry amendment to H. F. No. 553 as follows:

Page 39, line 20; after "guidelines" insert "regarding public transit financial assistance"

Page 39, line 24, after "guidelines" insert "regarding public transit financial assistance"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Moe, D. M. moved to amend the Lantry amendment to H. F. No. 553 as follows:

Page 29, lines 30 to 32, reinstate the stricken language

Page 29, line 30, strike "such"

The motion prevailed. So the amendment to the amendment was adopted.

CALL OF THE SENATE

Mr. Frederickson imposed a call of the Senate for the proceedings on H. F. No. 553. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Frederickson moved to amend the Lantry amendment to H. F. No. 553, as follows:

Page 47, line 1, delete "13" and insert "15"

The question was taken on the adoption of the amendment to the amendment.

The roll was called, and there were yeas 15 and nays 48, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Knutsón	Peterson, D.L.	Rued
Brataas	Kamrath	Merriam	Pillsbury	Taylor
Engler	Knoll	Moe, D. M.	Renneke	Ulland

Those who voted in the negative were:

Benson	Dieterich	Lantry	Peterson, R.W.	Stern
Berg	Frank	Lessard	Petty	Stokowski
Berglin	Frederick	Lindgren	Purfeerst	Stumpf
Bernhagen	Hanson	Luther	Ramstad	Tennessee
Bertram	Hughes	Menning	Schmitz	Vega
Chmielewski	Johnson	Nelson	Setzépand	Waldorf
Dahl	Keefe	Olhoft	Sieloff	Wegener
Davies	Kroening	Pehler	Sikorski	Willet
Davis	Kronebusch	Penny	Solon	
Dicklich	Langseth	Peterson, C.C.	Spear	

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

adopted.

Mr. Frederickson then moved to amend the Lantry amendment to H.F. No. 553, as follows:

Page 47, line 1, delete "13" and insert "14"

The question was taken on the adoption of the amendment to the amendment.

The roll was called, and there were yeas 24 and nays 36, as follows:

Those who voted in the affirmative were:

Bang	Chmielewski	Kamrath	Peterson, D.L.	Schmitz
Belanger	Davis	Knutson	Pillsbury	Stern
Berg	Engler	Lindgren	Ramstad	Taylor
Bernhagen	Frederick	Merriam	Renneke	Ulland
Brataas	Frederickson	Moe, D. M.	Rued	

Those who voted in the negative were:

Benson	Hughes	Lessard	Peterson, R.W.	Tennesen
Berglin	Humphrey	Luther	Petty	Vega
Bertram	Johnson	Menning	Sieloff	Waldorf
Dahl	Knoll	Moe, R. D.	Sikorski	Willet
Dicklich	Kroening	Nelson	Solon	
Dieterich	Kronebusch	Olhoft	Spear	
Frank	Langseth	Pehler	Stokowski	
Hanson	Lantry	Penny	Stumpf	

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

Mr. Bang moved to amend the Lantry amendment to H. F. No. 553, as follows:

Page 56, after line 5, insert:

"The commissioner of transportation shall develop a program whereby any person who does not wish to use rail services provided by Amtrak may apply to the commissioner of transportation for a free bus pass plus the cost of lunch, and not to exceed \$5 in cash. The amounts necessary for this purpose may be appropriated from the Amtrak rail subsidy."

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

Mr. Belanger moved to amend the Lantry amendment to the Lantry amendment to H. F. No. 553, as follows:

Page 55, line 16, delete "\$50,800,000" and insert "\$50,600,000"

Page 55, line 18, delete "\$21,600,000" and insert "\$21,500,000"

Page 55, line 19, delete "\$29,200,000" and insert "\$29,100,000"

Page 56, delete lines 3 to 5

The question was taken on the adoption of the amendment to the amendment.

The roll was called, and there were yeas 24 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Keefe	Olhoff	Sieloff
Bang	Brataas	Knutson	Peterson, D. L.	Taylor
Belanger	Frederick	Kronebusch	Peterson, R. W.	Tennessee
Benson	Frederickson	Lindgren	Pillsbury	Waldorf
Berg	Kamrath	Merriam	Ramstad	

Those who voted in the negative were:

Berglin	Frank	Lantry	Peterson, C. C.	Spear
Bertram	Hanson	Lessard	Petty	Stern
Chmielewski	Hughes	Luther	Purfeerst	Stokowski
Dahl	Humphrey	Menning	Rued	Stumpf
Davies	Johnson	Moe, D. M.	Schmitz	Ulland
Davis	Knoll	Moe, R. D.	Setzpfandt	Vega
Dicklich	Kroening	Nelson	Sikorski	Willet
Dieterich	Langseth	Pehler	Solon	

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

Mr. Sieloff moved to amend the Lantry amendment to H.F. No. 553, as follows:

Page 23, lines 11 and 12, delete "FARM TRUCKS" and insert "VEHICLES"

Page 23, line 13, after "truck" insert ", truck, truck tractor, or semi-trailer combination"

Page 23, line 19, delete "farm truck" and insert "vehicle"

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

RECONSIDERATION

Having voted on the prevailing side, Mr. Taylor moved that the vote whereby the Kronebusch amendment to the Lantry amendment to H. F. No. 553 was adopted by the Senate on May 18, 1981, be now reconsidered. The motion prevailed.

The question recurred on the Kronebusch amendment. The motion did not prevail. So the amendment to the amendment was not adopted.

Mr. Tennessee moved to amend the Lantry amendment to H. F. No. 553 as follows:

Page 47, delete lines 6 to 22

The question was taken on the adoption of the amendment to the amendment.

The roll was called, and there were yeas 35 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Kroening	Peterson, R. W.	Spear
Bang	Frank	Kronebusch	Petty	Stokowski
Belanger	Frederick	Lindgren	Pillsbury	Stumpf
Berg	Frederickson	Luther	Ramstad	Taylor
Berglin	Kamrath	Menning	Renneke	Tennessee
Bernhagen	Keefe	Merriam	Rued	Ulland
Brataas	Knutson	Moe, D. M.	Sieloff	Waldorf

Those who voted in the negative were:

Benson	Dieterich	Langseth	Penny	Vega
Bertram	Engler	Lantry	Peterson, C. C.	Wegener
Chmielewski	Hanson	Lessard	Peterson, D. L.	Willet
Davis	Humphrey	Moe, R. D.	Purfeerst	
Dicklich	Johnson	Olhoft	Schmitz	

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Berg moved to amend the Lantry amendment to H.F. No. 553, as follows:

Page 23, line 15, delete "*quarters*" and insert "*trimesters*"

Page 23, line 16, delete "*one-fourth*" and insert "*one-third*"

Page 23, line 17, delete "*quarterly*" in both places and insert "*trimesterly*"

Page 23, line 20, delete "*quarterly*" and insert "*trimesterly*"

Page 23, lines 21 and 23, delete "*quarter*" and insert "*trimester*"

Page 23, line 25, delete "*quarters*" and insert "*trimesters*"

Page 23, delete line 26 and insert "*begin on March 1, July 1, and November 1.*"

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

RECONSIDERATION

Having voted on the prevailing side, Mr. Ashbach moved that the vote whereby the Tennessen amendment to H. F. No. 553 was adopted by the Senate on May 18, 1981, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 53 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Phler	Sikorski
Belanger	Dieterich	Kronebusch	Penny	Solon
Benson	Engler	Langseth	Peterson, C. C.	Spear
Berg	Frank	Lantry	Peterson, D. L.	Stern
Berglin	Frederick	Lessard	Peterson, R. W.	Stokowski
Bernhagen	Frederickson	Luther	Petty	Taylor
Bertram	Hanson	Menning	Purfeerst	Vega
Brataas	Johnson	Moe, D. M.	Ramstad	Wegener
Chmielewski	Keefe	Moe, R. D.	Renneke	Willet
Dahl	Knoll	Nelson	Rued	
Davis	Knutson	Olhoft	Setzepfandt	

Those who voted in the negative were:

Bang	Kamrath	Pillsbury	Tennessen	Waldorf
Davies	Merriam	Stumpf	Ulland	

The motion prevailed.

The question recurred on the Tennessen amendment.

Mr. Tennessen withdrew his amendment.

H. F. No. 553 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 13, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Lantry	Peterson, D.L.	Spear
Bang	Frederickson	Lessard	Peterson, R.W.	Stern
Belanger	Hanson	Luther	Petty	Stokowski
Berg	Humphrey	Menning	Purfeerst	Taylor
Bernhagen	Johnson	Merriam	Ramstad	Ulland
Brataas	Kamrath	Moe, R. D.	Renneke	Vega
Chmielewski	Knoll	Nelson	Rued	Waldorf
Dahl	Knutson	Olhoft	Schmitz	Wegener
Davies	Kroening	Pehler	Setzepfandt	Willet
Engler	Kronebusch	Penny	Sikorski	
Frank	Langseth	Peterson, C.C.	Solon	

Those who voted in the negative were:

Benson	Davis	Keefe	Pillsbury	Tennessee
Berglin	Dicklich	Lindgren	Sieloff	
Bertram	Dieterich	Moe, D. M.	Stumpf	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. 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. 775: A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

Senate File No. 775 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

Mr. Nelson moved that the Senate do not concur in the amendments by the House to S. F. No. 775, 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. 1164: A bill for an act relating to crimes; providing for application for relief of sentences imposed prior to adoption of sentencing guidelines; amending Minnesota Statutes 1980, Section 590.01, by adding a subdivision.

Senate File No. 1164 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 1164 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1164 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 30, as follows:

Those who voted in the affirmative were:

Berglin	Humphrey	Luther	Ramstad	Tennessee
Brataas	Johnson	Merriam	Schmitz	Ulland
Davies	Kamrath	Moe, D. M.	Sikorski	Vega
Dicklich	Knoll	Moe, R. D.	Solon	Wegener
Dieterich	Knutson	Nelson	Spear	
Frederick	Kronebusch	Peterson, R. W.	Stern	
Hanson	Lantry	Petty	Stokowski	
Hughes	Lessard	Pillsbury	Stumpf	

Those who voted in the negative were:

Ashbach	Bertram	Frederickson	Pehler	Rued
Bang	Chmielewski	Keefe	Penny	Setzepfand
Belanger	Dahl	Langseth	Peterson, C. C.	Sieloff
Benson	Davis	Lindgren	Peterson, D. L.	Taylor
Berg	Engler	Menning	Purfeerst	Waldorf
Bernhagen	Frank	Olhoff	Renneke	Willer

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 368 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 368

A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05,

Subdivision 1.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 368, 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. 368 be further amended as follows:

Page 2, delete lines 33 to 36 and insert "A city issuing bonds subject to this chapter for the purpose of financing single family housing, as defined in section 462C.02, subdivision 4, shall make every effort to use not less than 20 percent of the aggregate dollar amount of loans made or purchased within any calendar year for loans or housing for persons and families with"

Page 3, after line 4, insert:

"In any calendar year in which a city issues bonds pursuant to this chapter, the city shall prepare a report describing actions taken to achieve the goals of this subdivision. The report shall be submitted to the agency by January 1 of the following year."

Page 4, after line 15, insert:

"Sec. 4. [APPLICABILITY.]

The provisions of sections 1 and 2 shall not apply to any programs which were approved or are considered approved pursuant to section 462C.04, subdivision 2, by the Minnesota housing finance agency on or before the effective date of this act, nor to the Minneapolis/St. Paul joint housing program specifically exempted from the provisions of section 103A of the Internal Revenue Code by Section 1104(n) of the Mortgage Subsidy Bond Tax Act of 1980."

Page 4, line 17, delete everything after "effective" and insert "June 30, 1981."

Renumber the sections accordingly

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

Senate Conferees: (Signed) Linda Berglin; Hubert H. Humphrey, III; William V. Belanger, Jr.

House Conferees: (Signed) Karen Clark, Randy W. Staten

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on S. F. No. 368 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. 368 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lantry	Peterson, R. W.	Stokowski
Bang	Frank	Lindgren	Petty	Stumpf
Belanger	Frederickson	Luther	Pillsbury	Taylor
Benson	Hanson	Merriam	Purfeerst	Tennessee
Bernhagen	Hughes	Moe, D. M.	Ramstad	Ulland
Brataas	Humphrey	Nelson	Schmitz	Waldorf
Chmielewski	Keefe	Olhoft	Setzepfandt	Wegener
Dahl	Knoll	Pehler	Sikorski	Willit
Davies	Kroening	Penny	Solon	
Dicklich	Kronebusch	Peterson, C. C.	Spear	
Dieterich	Langseth	Peterson, D. L.	Stern	

Those who voted in the negative were:

Bertram	Kamrath	Lessard	Renneke	Rued
Davis	Knutson			

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 1154 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1154

A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 1154, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1154 be further amended as follows:

Page 3, after line 33, insert:

“Sec. 2. [EDUCATIONAL PROGRAM.]

Notwithstanding Minnesota Statutes, Section 120.17, Subdivision 6, the commissioner of education may assign the entire responsibility for the educational program of all handicapped children who are placed at the Amherst H. Wilder Foundation youth conservation camp to Independent School District No. 573, Hinckley, to Independent School District No. 576, Sandstone, or to a joint board established by these districts pursuant to Minnesota Statutes, Section 471.59, if that district or joint board requests the commissioner to assign it this responsibility and if the commissioner determines that this assignment is

necessary to ensure the efficiency of the educational program.

Sec. 3. [CLOQUET WATER TREATMENT PLAN APPROPRIATION; EXTENSION.]

Notwithstanding any other provision of law to the contrary, so much of the appropriation made available to the city of Cloquet for use in constructing a water filtration system pursuant to Laws 1975, Chapter 437, Article XI, Section 2, Subdivision 2, as has not been expended shall remain available to the city for such use or for developing an alternative permanent source of drinking water until July 1, 1986, unless expended earlier.

Sec. 4. [HERMANTOWN AND DULUTH; WATER SERVICE.]

Subdivision 1. [REQUEST FOR SERVICE.] By September 1, 1981, the city of Hermantown shall submit to the city of Duluth a request for water service including the volume of water needed and the number of years for which the service is requested.

Subd. 2. [CONTRACT OFFER; RATE.] By April 1, 1982, the city of Duluth shall offer a contract to the city of Hermantown to provide the service requested by the city of Hermantown at a rate determined by the city of Duluth. The rate shall be based on a reasonable allocation of the capital, repair and operating expenses of the Duluth water system which are attributable to the water service requested by the city of Hermantown, including the full cost of any capital construction and repairs required by the volume of service to the city of Hermantown. The rate shall provide for an amortization of any construction costs reflected in the rate over a reasonable period not to exceed the terms of the proposed contract.

Subd. 3. [APPEAL TO PUBLIC UTILITIES COMMISSION.] Not later than 90 days after the city of Duluth offers a contract under subdivision 2, the city of Hermantown may appeal the rate determined by the city of Duluth by filing a petition with the public utilities commission. If a petition is filed, the city shall file its answer within 30 days after the petition is filed. The commission, after public notice and hearing, shall determine whether the rate is just and reasonable consistent with the provisions of subdivision 2. Not later than 120 days after a petition of the city of Hermantown is filed, the commission shall affirm the rate or, if it finds that the rate is not just and reasonable, determine a just and reasonable rate. The rulemaking and contested case procedures of sections 15.0412 to 15.0422 shall not apply to any proceeding required by this subdivision.

Subd. 4. [CONTRACT.] Not later than 90 days after the rate is affirmed or determined by the commission or, if no appeal is taken under subdivision 3, not later than 90 days after a contract is offered under subdivision 2, the cities of Hermantown and Duluth shall enter a contract for provision of water service by the city of Duluth to the city of Hermantown. The rate for the service shall be the rate determined by the city of Duluth pursuant to subdivision 2 or, if the commission has affirmed or determined a rate, the rate affirmed or determined by the commission."

Page 3, line 35, delete "Section 1 is" and insert "Sections 1 and 3 are"

Page 3, line 35, delete "its"

Page 3, line 36, after the period, insert "Pursuant to Minnesota Statutes,

Section 645.023, Subdivision 1, Clause (a), sections 2 and 4 are effective without local approval on the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "state land" and insert "public resources"

Page 1, line 4, before the period insert "; permitting Independent School District No. 573, Independent School District No. 576, or a joint powers board to request and assume responsibility for educating children at an Amherst H. Wilder Foundation camp; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; providing a procedure for determination of a rate and making of a contract for water service between the cities of Hermantown and Duluth"

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

Senate Conferees: (Signed) Florian Chmielewski, Dave Rued, Bob Lessard

House Conferees: (Signed) Douglas W. Carlson, Mary Murphy

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1154 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. 1154 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 15, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Merriam	Rued	Tennesen
Bernhagen	Hughes	Moe, D. M.	Setzepfandt	Ulland
Chmielewski	Johnson	Moe, R. D.	Sieloff	Vega
Dahl	Keefe	Nelson	Sikorski	Waldorf
Davies	Knoll	Penny	Solon	Wegener
Davis	Kroening	Peterson, C. C.	Spear	Willet
Dicklich	Kronebusch	Peterson, R. W.	Stern	
Dieterich	Lantry	Petty	Stokowski	
Engler	Lessard	Pillsbury	Stumpf	
Frank	Luther	Renneke	Taylor	

Those who voted in the negative were:

Ashbach	Benson	Brataas	Knutson	Olhoft
Bang	Berg	Frederick	Lindgren	Peterson, D.L.
Belanger	Bertram	Frederickson	Menning	Ramstad

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 818 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 818

A bill for an act relating to game and fish; increasing the amount set aside from any increased deer license fees for deer habitat improvement; restricting the taking of bear to adult bear; amending Minnesota Statutes 1980, Sections 97.49, Subdivision 1a; and 100.27, Subdivision 2.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 818, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 818 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 97.4841, Subdivision 2, is amended to read:

Subd. 2. [STAMP REQUIRED.] *Except for residents under the age of 18 and over the age of 65 years*, no person ~~over the age of 18 and under the age of 65 years~~ who is otherwise required to possess a Minnesota small game license shall hunt or take migratory waterfowl within this state without first purchasing a stamp and having the stamp in his possession while hunting or taking migratory waterfowl. Each stamp shall be validated by the signature of the licensee written across its face. The commissioner shall determine the form of the stamp and shall furnish and distribute stamps to county auditors for sale by them and their authorized subagents as prescribed by order of the commissioner. The commissioner shall encourage the purchase of stamps by nonhunters who are interested in the preservation and development of habitat for migratory waterfowl. People who are hunting on their own property shall not be required to possess a Minnesota waterfowl stamp.

Sec. 2. Minnesota Statutes 1980, Section 97.49, Subdivision 1a, is amended to read:

Subd. 1a. (a) For purposes of this subdivision, “deer license” means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clauses (2) and (3) and subdivision 14, clauses (2) and (3).

(b) It is the policy of this state that at least \$4 \$2 from each deer license issued by the commissioner shall be used for the purpose of deer habitat improvement.

Sec. 3. Minnesota Statutes 1980, Section 98.45, Subdivision 1, is amended to read:

Subdivision 1. Except as specifically permitted in chapters 97 to 102, no person may take, buy, sell, transport, or possess any protected wild animals of this state or any aquatic plants without first procuring a license therefor as provided in section 98.46 or in section 98.48. Every license is issued for a year beginning on the first day of March and is void after the last day of the open

season or the lawful time within that year during which the acts authorized may be performed. Except as provided in this section, no license to take deer with firearm ~~or with bow and arrow~~ may be issued after the day prior to the first day of the regular ~~rifle~~ firearm season; ~~and~~. *A license to take deer with bow and arrow may be issued after the opening of a bow and arrow season. A bow and arrow license issued after the opening of a season shall not be valid until the fifth day after it is issued.* All license agents shall return all stubs and unsold license blanks to the county auditor on the first business day following the ~~first~~ last day of ~~such the regular bow and arrow season or the last day of any~~ December bow and arrow season. A resident who is discharged from the military or naval forces of the United States, or any active reserve or component thereof, during the regular season for taking deer by firearm or within ten days before its commencement, may be issued, at any time during the firearm deer season and upon a showing of ~~his~~ *an* official discharge paper, a license to take deer with firearm. Only one license of each kind, except as authorized by order of the commissioner adopted pursuant to section 97.53 and except the non-resident short term angling license, may be issued to a person in any licensing year. No license may be transferred except as expressly authorized.

Sec. 4. Minnesota Statutes 1980, Section 98.47, Subdivision 7, is amended to read:

Subd. 7. No license to buy or sell fish or to take fish commercially in international waters extending from Pigeon Point West to the North Dakota boundary line shall be issued to any person or member of ~~his~~ *the person's* household, or employee, engaged in the business of conducting a summer resort.

Sec. 5. Minnesota Statutes 1980, Section 98.52, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided herein, the license of any person who is convicted of violating any provisions of chapters 97 to 102, or any order or regulation duly prescribed by the commissioner under authority thereof, relating to the license or to the wild animals covered thereby, shall immediately become null and void, and no big game license of any kind shall be issued to such person for three years after the date of:

(1) A conviction for a violation relating to big game which is classified as a gross misdemeanor, or for doing any act without a big game license for which chapters 97 to 102 require a big game license, or;

(2) A second conviction within a three year period for any other violation of chapters 97 to 102 relating to big game; *or*

(3) *A conviction for taking any big game animal out of season.*

No license of the kind related to the conviction shall be issued to ~~such a~~ person for one year after the date of conviction if the license is other than a big game license. Every person convicted of doing anything without a license for which chapters 97 to 102 require a license, shall forfeit ~~his~~ *their* right to secure ~~such a~~ *that* license for a period of one year from a conviction other than a conviction related to big game.

Sec. 6. Minnesota Statutes 1980, Section 99.27, Subdivision 1, is amended to read:

Subdivision 1. Breeding and propagating fur-bearing animals, game birds, bear or deer, shall be authorized under license only upon privately owned or leased lands and waters. "Private waters," as used herein, includes all bodies of waters or streams, whether meandered or not, of a shallow, swampy, marshy, or boggy nature, not navigable in fact, and of no substantial beneficial use to the general public. The owner or lessee, applying for the license, shall have first enclosed the area, in the manner approved by the commissioner, sufficiently to confine the respective birds or animals to be raised thereon. Licenses shall be granted only in cases where the commissioner finds the application is made in good faith with intention to actually carry on the business described in the application and where the facilities, in his judgment, are adequate therefor.

Sec. 7. Minnesota Statutes 1980, Section 100.27, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise specifically provided, there shall be no open season on elk, caribou, antelope, marten, cougar, or wolverine.

Sec. 8. Minnesota Statutes 1980, Section 100.27, Subdivision 2, is amended to read:

Subd. 2. Deer, moose and *adult bear one year of age or older* may be taken in such areas of the state, under such restrictions and on such dates within the periods hereafter prescribed as the commissioner may, by order, provide:

(1) Deer and bear by bow and arrow; legal muzzle loading firearms as defined in section 100.29, subdivision 3, clause (2), or both, between September 1 and December 31 and in any areas of the state designated by the commissioner. Legal muzzle loading firearms shall be permitted by the commissioner on public lands only;

(2) Deer, by legal firearms and with bow and arrow, between November 1 and December 15, with the length of the season to be determined by the commissioner; and

(3) Moose, between January 1 and December 31 as determined by the commissioner, by legal firearms and with bow and arrow, in areas of the state, and under such restrictions and on such dates as the commissioner may by order provide; for purposes of this section a split season in any one calendar year shall be considered as one season.

Sec. 9. Minnesota Statutes 1980, Section 100.29, Subdivision 3, is amended to read:

Subd. 3. ~~It shall be unlawful to have in possession out of doors, except upon target ranges operated under a permit from the commissioner, unless unloaded and contained in a gun case, or unloaded and broken down:~~

(1) Any rifle or handgun, except a 22 caliber rim-fire rifle or handgun carried for the sole purpose of taking small game when lawful and using 22 caliber short, long, or long rifle bullets, or any shotgun with slugs, in any territory wherein there is an open season for taking deer with firearms, for a period of ten days preceding and five days succeeding such season;

(2) Any rifle, except those described in this clause, in a territory open for the taking of deer with shotguns and slugs but not with rifles, during such season;

(a) smooth bore muzzle loading muskets of not less than 45 caliber and rifle muzzle loading muskets of not less than 40 caliber that are incapable of being loaded at the breech, may be possessed and used for the hunting of deer during such open season and (b) 22 caliber rim fire rifles or handguns carried for the sole purpose of taking small game when lawful and using 22 caliber short, long, or long rifle bullets, may be possessed and used during such open deer season;

(3) Any slugs for use in a shotgun in any territory open for the taking of deer with firearms during the open season, except for slugs carried for the sole purpose of taking deer or bear.

Within any area where deer may be taken by firearms, it shall be unlawful during the period beginning the tenth day before the open firearms season and ending the fifth day after the close of the season, inclusive, to have any firearm or ammunition in possession out of doors other than:

(1) Shotguns using shot;

(2) Handguns and rifles using .22 caliber short cartridges; and

(3) Firearms described in subdivision 9, as legal for taking big game subject to weapon zone restrictions as prescribed by the commissioner, provided the bearer has a big game license on his person and is afield during the time and within the area the big game license is valid.

Except for pistols and revolvers carried in compliance with sections 624.714 to 624.715 and firearms in possession upon target ranges operated under a permit from the commissioner, all firearms carried out of doors other than in conformity with this subdivision must be unloaded and contained in a case or unloaded and contained in the trunk of a car with the trunk door closed.

Sec. 10. Minnesota Statutes 1980, Section 100.29, Subdivision 9, is amended to read:

Subd. 9. *Except as provided in subdivision 3, and in this subdivision, it shall be unlawful to take deer, moose, or any other wild animal during deer or moose season in open deer or moose hunting territory with a rifle or firearm which discharges a projectile, the diameter of which is less than twenty-three hundredths of an inch, or to use any cartridge less than 1-3/4 inches in length, and not containing a soft point or expanding bullet, the measurement to include the cartridge or shell and the bullet seated in the usual manner, provided cartridges of 35 caliber or larger may be used, regardless of length, or to use shells containing buckshot, or fine shot except for game birds, and except that smooth bore muzzle loading muskets of not less than 45 caliber and rifled muzzle loading muskets of not less than 40 caliber that are incapable of being loaded at the breech may be used, and provided further that handguns of the .357, .41, and .44 magnum caliber, using ammunition with a case length of not less than 1.285 inches, and other calibers of similar performance as determined by the commissioner, may be used to take deer, moose, bear, or any wild animal.*

A firearm or ammunition may be used to take big game if it meets the following requirements:

(1) *Handguns, rifles, shotguns and all projectiles used therein shall be at least 23/100ths of an inch in caliber;*

(2) All firearms shall be loaded only with ammunition containing single projectiles;

(3) All projectiles shall be of a soft point or an expanding bullet type;

(4) All ammunition shall have a case length of at least 1.285 inches; and

(5) Muzzleloaders must be incapable of being loaded at the breech. Smooth-bore muzzleloaders shall be at least .45 caliber and rifled muzzleloaders shall be at least .40 caliber.

It is unlawful to take big game with a .30 caliber M-1 carbine cartridge or with any other firearm or ammunition which does not meet the requirements provided in clauses (1) to (5).

Sec. 11. [REPEALER.]

Minnesota Statutes 1980, Section 101.42, Subdivision 10, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Sections 1, 3, 5, 7, 8, 9 and 10 are effective August 1, 1981. Sections 6 and 11 are effective the day after final enactment. Sections 2 and 4 are effective for licensing years beginning March 1, 1982, except that section 2 is effective only if deer license fees are increased by 1981 law."

Delete the title and insert:

"A bill for an act relating to game and fish; altering requirements for taking and possession; increasing the deer license habitat amount; prescribing requirements for carrying and use of firearms and ammunition; prescribing penalties; restricting the season on cougar; restricting the taking of bear to adult bear; amending Minnesota Statutes 1980, Sections 97.4841, Subdivision 2; 97.49, Subdivision 1a; 98.45, Subdivision 1; 98.47, Subdivision 7; 98.52, Subdivision 1; 99.27, Subdivision 1; 100.27, Subdivisions 1 and 2; and 100.29, Subdivisions 3, and 9; repealing Minnesota Statutes 1980, Section 101.42, Subdivision 10."

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

Senate Conferees: (Signed) Collin C. Peterson, Bob Lessard, Steve Engler

House Conferees: (Signed) Leo J. Reding, David P. Battaglia, John Drew

Mr. Peterson, C.C. moved that the foregoing recommendations and Conference Committee Report on S. F. No. 818 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. 818 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:

Ashbach	Dicklich	Kronebusch	Penny	Spear
Bang	Engler	Langseth	Peterson, C. C.	Stern
Belanger	Frank	Lantry	Peterson, D. L.	Stokowski
Benson	Frederick	Lessard	Peterson, R. W.	Stumpf
Berg	Frederickson	Lindgren	Petty	Taylor
Bernhagen	Hanson	Luther	Pillsbury	Tennessee
Bertram	Hughes	Menning	Ramstad	Ulland
Brataas	Kamrath	Merriam	Renneke	Vega
Chmielewski	Keefe	Moe, D. M.	Rued	Waldorf
Dahl	Knoll	Moe, R. D.	Sieloff	Wegener
Davies	Knutson	Nelson	Sikorski	Willet
Davis	Kroening	Olhoft	Solon	

Mr. Dieterich 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. 937 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 937

A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

May 16, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 937, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendments and that S.F. No. 937 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [62A.154] [BENEFITS FOR DES RELATED CONDITIONS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this section have the meanings given them.

(a) "Covered person" means a natural person who is covered under a policy.

(b) "Insurer" means an insurer providing health, medical, hospitalization, or accident and sickness insurance regulated under this chapter, a nonprofit health services plan corporation regulated under chapter 62C, a health maintenance organization regulated under chapter 62D or a fraternal beneficiary association regulated under chapter 64A.

(c) "Policy" means a policy or plan of health, medical, hospitalization or

accident and sickness insurance, a health maintenance contract, or a health benefit certificate provided by an insurer which provides coverage of, or reimbursement for, hospital, medical, or surgical expenses on a group or individual basis, but does not include a policy designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis, or a policy that provides only accident coverage.

Subd. 2. [REQUIRED COVERAGE.] No policy shall be issued or renewed in this state after August 1, 1981 if it provides an exclusion, reduction, or other limitation as to coverage, deductible, coinsurance or copayment applicable solely to conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which coverage for that person begins. In the absence of credible evidence of a higher morbidity rate due to exposure to diethylstilbestrol, no insurer shall surcharge or in any other manner increase the premium. If there is credible evidence of a higher morbidity rate due to exposure to diethylstilbestrol, no insurer shall surcharge or in any other manner increase the premium without the prior approval of the commissioner.

Subd. 3. [REFUSAL TO ISSUE OR RENEW.] No insurer shall refuse to issue or renew a policy, or to provide coverage under a policy, in this state after August 1, 1981 solely because of conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which an initial premium payment is received by the insurer."

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

Senate Conferees: (Signed) Eric D. Petty, Don Frank, Patricia L. Kronebusch

House Conferees: (Signed) Ann Wynia, James C. Swanson, Merlyn O. Valan

Mr. Petty moved that the foregoing recommendations and Conference Committee Report on S. 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.

S. F. No. 937 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dieterich	Kronebusch	Peterson, C. C.	Stern
Belanger	Engler	Langseth	Peterson, D. L.	Stokowski
Benson	Frank	Lantry	Peterson, R. W.	Stumpf
Berg	Frederick	Lessard	Petty	Taylor
Berglin	Frederickson	Lindgren	Pillsbury	Tennessen
Bernhagen	Hanson	Luther	Ramstad	Ulland
Bertram	Hughes	Menning	Renneke	Vega
Brataas	Johnson	Merriam	Rued	Waldorf
Chmielewski	Kamrath	Moe, D. M.	Setzepfandt	Wegener
Dahl	Keefe	Moe, R. D.	Sieloff	Willet
Davies	Knoll	Nelson	Sikorski	
Davis	Knutson	Olhoft	Solon	
Dicklich	Kroening	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. 939 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 939

A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 939, 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. 939 be amended as follows:

Page 4, line 11, reinstate the stricken language and before the reinstated language insert "including"

Page 4, line 14, delete "\$4,000", insert "\$6,000" and after the period, insert "*Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved party may not exceed \$6,000 and in that case if there are two or more respondents the punitive damages may be apportioned among them. Punitive damages may only be assessed against a political subdivision in its capacity as a corporate entity and no regular or exofficio member of a governing body of a political subdivision shall be personally liable for payment of punitive damages pursuant to this subdivision.*"

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

Senate Conferees: (Signed) Linda Berglin, Donald M. Moe, Randolph W. Peterson

House Conferees: (Signed) Randy W. Staten, Lee Greenfield, Marnie J. Luknic

Ms. Berglin moved that the foregoing recommendations and Conference Committee Report on S. F. No. 939 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. 939 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 31, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Lindgren	Peterson, C.C.	Stern
Dahl	Hughes	Luther	Peterson, R.W.	Stokowski
Davies	Humphrey	Merriam	Petty	Stumpf
Davis	Johnson	Moe, D. M.	Setzepfandt	Tennessee
Dicklich	Knoll	Moe, R. D.	Sikorski	Vega
Dieterich	Kroening	Nelson	Solon	Waldorf
Frank	Lantry	Penny	Spear	Willet

Those who voted in the negative were:

Ashbach	Brataas	Knutson	Peterson, D.L.	Taylor
Bang	Chmielewski	Kronebusch	Pillsbury	Ulland
Belanger	Engler	Langseth	Purfeerst	Wegener
Benson	Frederick	Lessard	Ramstad	
Berg	Frederickson	Menning	Renneke	
Bernhagen	Kamrath	Olhoft	Rued	
Bertram	Keefe	Pehler	Sieloff	

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

RECESS

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

S. F. No. 775: Messrs. Nelson, Sikorski and Renneke.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R. D. 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, herewith returned: S. F. No. 1370.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 1132 and

repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1132: A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

Senate File No. 1132 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 179, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 179: A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

Senate File No. 179 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 3, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 3 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 3

A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

May 18, 1981

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

The Honorable Jack Davies

President of the Senate

We, the undersigned conferees for H. F. No. 3, 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. 3, the third engrossment, be further amended as follows:

Page 1, after line 20, insert:

“Section 1. Minnesota Statutes 1980, Section 256D.18, Subdivision 2, is amended to read:

Subd. 2. “County of financial responsibility” means (a) the county in which an individual resides; or (b) if an individual is a patient in a hospital or nursing home, as defined in sections 144.50, or 144A.01, or if an individual participates in a long-term sheltered workshop as defined in chapter 129A, or is placed in a county as a result of a correctional program or a treatment plan for health, rehabilitation, foster care, child care or training, at the time of making application, and immediately prior thereto resided in another county, then that other county.

Sec. 2. Minnesota Statutes 1980, Section 256D.18, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of subdivision 2, the county of financial responsibility shall not change as a result of successive placements in one or more counties pursuant to a plan of treatment for health, rehabilitation, foster care, child care or training; nor as a result of placement in any correctional program; nor as a result of participation in a sheltered workshop as defined in chapter 129A.”

Page 1, line 30, delete “10” and insert “12”

Page 3, line 9, after “and” delete the comma

Page 7, line 4, delete “1982” and insert “1983”

Page 7, lines 5 and 7, delete “1981” and insert “1982”

Page 7, line 7, delete “Laws 1979, Chapter 336, Section 2” and insert “the health, welfare, and corrections appropriations act for the biennium ending June 30, 1983”

Pages 7 and 8, delete section 7

Page 8, line 10, after “tax” insert “for community social services”

Page 8, line 11, strike “subdivision 1” and insert “subdivisions 1 and 2. Money for community social services provided to a county by a municipal levy may, for the purposes of this section, be counted as partial fulfillment of the local levy requirement”

Page 8, line 19, delete “department” and insert “commissioner”

Page 9, line 15, delete “department” and insert “commissioner”

Page 9, after line 18, insert:

“Sec. 10. Minnesota Statutes 1980, Section 256E.07, is amended by adding a subdivision to read:

Subd. 3. [PRIORITIES.] If any proposed federal block grant program affecting Title XX funds becomes operative, the state shall, within the limits set by federal law, adopt the following priority when allocating funds: provide that in each calendar year 1982 and 1983, each county shall, for the purposes of providing the same or similar services, receive priority for an allocation of Title XX funds that is equal to or greater than the amount received by the county in 1981."

Page 10, line 3, delete "persons whose" and delete "is at"

Page 10, line 4, delete "risk"

Page 10, lines 27, 29 and 30, delete "settlement" and insert "residence"

Page 10, line 27, after the period, insert "Disputes concerning the county of financial responsibility shall be settled in the manner prescribed in section 256D.18, subdivision 4."

Page 11, line 1, strike "years" and insert "year" and delete "1982" and strike "and"

Page 11, line 2, delete "1980" and insert "1982"

Page 11, line 30, after "responsibilities" insert "identified" and delete "10" and insert "12"

Page 13, line 18, after "temporary" insert "and permanent"

Page 13, line 25, strike "1981" and insert "1983"

Page 17, after line 24, insert:

"The commissioner shall promulgate temporary and permanent rules in accordance with section 15.0412 to implement this section. No more than seven percent of any grant shall be used for the grantee's administration expenses."

Page 17, line 35, reinstate the stricken "MAY MAKE"

Page 17, line 36, after the stricken "CENTERS" insert "CENTER SERVICES" and reinstate the stricken "FOR THE MENTALLY RETARDED AND CEREBRAL"

Page 18, line 1, reinstate the stricken language and delete the new language

Page 18, line 5, before "services" insert "center"

Page 18, line 8, reinstate the stricken language and delete the new language

Page 18, line 9, after the stricken "the" insert "services to"

Page 18, line 9, reinstate the stricken "mentally retarded and cerebral palsied" and delete "services" and insert "persons" and after the period insert "In order to fulfill its responsibilities to the mentally retarded and cerebral palsied as required by section 12, a county board may, beginning January 1, 1983, contract with developmental achievement centers or other providers."

Page 18, line 15, delete "and" and insert "The county board shall ensure that"

Page 18, line 16, delete "provide for" and after "transportation" insert "is provided"

Page 18, line 17, delete "if" and insert ", utilizing the most efficient and reasonable means available."

Page 18, delete lines 18 and 19

Page 18, line 20, delete everything before "The"

Page 18, line 34, strike "funds to" and insert "money for"

Page 20, lines 14 and 15, reinstate the stricken "and of the child"

Page 21, line 27, after "individuals" insert a comma

Page 22, line 20, delete "using" and insert "which use"

Page 23, line 13, delete "245.72;"

Page 23, line 14, delete "Subdivision" and insert "Subdivisions 4 and"

Page 23, line 14, after the period insert "Minnesota Statutes 1980, Section 245.72 is repealed effective January 1, 1983."

Page 23, line 16, delete "This act is" and insert "Sections 1 to 21, 23 to 27, and 29 to 34 are" and delete "except that" and insert a period

Page 23, line 17, delete "20" and insert "22"

Page 23, line 23, delete "sections 1 to 3" and insert "section 22"

Page 23, line 24, delete "1" and insert "22"

Page 23, line 25, before the period, insert "1"

Page 23, line 25, after the period, insert "Section 28 is effective January 1, 1983."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "to" insert "public welfare; amending the" and before the semicolon insert "act"

Page 1, after line 5, insert "defining the county of financial responsibility for participants in long term sheltered workshops;"

Page 1, line 10, after the second semicolon insert "256D.18, Subdivisions 2 and 3;"

Page 1, line 13, before the first semicolon insert "and by adding a subdivision"

Page 1, line 13, delete "4,"

Page 1, line 18, delete "Subdivision" and insert "Subdivisions 4 and"

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

House Conferees: (Signed) Paul McCarron, Don Samuelson, John R. Kaley

Senate Conferees: (Signed) Robert J. Tennessen, Howard A. Knutson, Allan H. Spear

Mr. Tennessen moved that the foregoing recommendations and Conference Committee Report on H. F. No. 3 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. 3 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 18, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Kronebusch	Petty	Spear
Benson	Frederickson	Lantry	Pillsbury	Stern
Bernhagen	Hughes	Lessard	Purfeerst	Stokowski
Brataas	Humphrey	Lindgren	Ramstad	Stumpf
Chmielewski	Kamrath	Luther	Renneke	Taylor
Dahl	Keefe	Moe, R. D.	Rued	Tennessen
Davies	Knoll	Olhoft	Schmitz	Waldorf
Engler	Knutson	Peterson, D. L.	Sieloff	Willet
Frank	Kroening	Peterson, R. W.	Sikorski	

Those who voted in the negative were:

Belanger	Davis	Menning	Pehler	Ulland
Berg	Dicklich	Merriam	Penny	Vega
Berglin	Dieterich	Moe, D. M.	Peterson, C. C.	
Bertram	Johnson	Nelson	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. 1445 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1445 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1445

A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits

and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivision 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

May 18, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1445, 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. 1445 be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

INCOME TAX

Section 1. Minnesota Statutes 1980, Section 290.06, Subdivision 2d, is amended to read:

Subd. 2d. [INFLATION ADJUSTMENT OF BRACKETS.] For taxable years beginning after December 31, 1978, the taxable net income brackets in subdivision 2c shall be adjusted for inflation. The commissioner of revenue shall determine the percentage increase for each year in the revised consumer price index for all urban consumers 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 percentage increase from August, 1978 to, in 1979, August, 1979 and in each subsequent year, from August of the preceding year to August of the current year, and shall announce the percentage figure by October 1 each year. The dollar amounts in each taxable net income bracket for the prior year in subdivision 2c shall be multiplied by a figure equal to 85 percent of that percentage. The product of the calculation shall be added to each inflation adjusted taxable net income bracket for the prior year to produce the inflation adjusted taxable net income brackets for each succeeding year. If the product exceeds a whole dollar amount, it shall be raised to the next highest whole dollar. For taxable years beginning after December 31, 1980, the taxable net income brackets in subdivision 2c shall be adjusted for inflation. For the purpose of making the adjustment as provided in this subdivision all of the brackets provided in subdivision 2c shall be the adjusted brackets as they existed for taxable years beginning after December 31, 1979 and before January 1, 1981. The commissioner shall determine: (a) the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor. He shall then determine the percent change from August, 1980, to, in 1981, August, 1981, and in each subsequent year, from August of the preceding year to August of the current year; and (b) the percentage increase in average Minnesota gross income from tax year 1980 to, in 1981, tax year 1981, and in each subsequent tax year between the previous tax year and the current tax year. The percent increases in Minnesota gross income shall be estimated using the best available data sources and reasonable forecasting procedures. The determination of the commissioner pursuant to this section shall not be considered a "rule" and shall not be subject to the administrative procedures act contained in chapter 15.

The dollar amount in each taxable net income bracket for the prior year in subdivision 2c shall be multiplied by a figure calculated as one plus 100 percent of the consumer price index increase or 100 percent of the Minnesota gross income increase, whichever is smaller. The product of the calculation shall yield the inflation adjusted tax brackets for each succeeding year. If the product exceeds a whole dollar amount, it shall be rounded to the nearest whole dollar.

No later than October 1 of each year, the commissioner shall announce both percentage increases and the specific percentage that will be used to adjust the tax brackets, the maximum standard deduction amount, and the personal credit amounts.

Sec. 2. Minnesota Statutes 1980, Section 290.06, Subdivision 3g, is amended to read:

Subd. 3g. [INFLATION ADJUSTMENT OF CREDITS.] For taxable years beginning after December 31, 1980, the credits provided for individuals in subdivision 3f shall be adjusted for inflation. The commissioner of revenue shall determine the percentage increase for each year in the revised consumer price index for all urban consumers 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 percentage increase from August, 1980 to, in 1981, August, 1981 and in each subsequent year, from August of the preceding year to August of the current year, and shall announce the percentage figure by October 1 each year. The dollar amount of each inflation adjusted credit for the prior year in subdivision 3f shall be multiplied by a figure equal to that percentage. The product of the calculation shall be added to the inflation adjusted credit for the prior year to produce the inflation adjusted individual credits for each succeeding year. If the product exceeds a whole dollar amount, it shall be rounded to the nearest whole dollar. The dollar amount of each credit for the prior year in subdivision 3f shall be increased in the same manner as provided in subdivision 2d for the expansion of the taxable net income brackets.

Sec. 3. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

Subd. 1a. [ADDITIONAL CORPORATE TAX.] In addition to the tax computed according to subdivision 1 and section 290.361, there is hereby imposed an additional privilege and income tax which shall be computed by applying the following rates to the tax computed pursuant to subdivision 1, sections 290.361 and 290.091 less the credits allowed by section 62E.11, subdivision 8 and section 290.06, subdivisions 3f, 9, 9a, and 14:

(1) For taxable years beginning after December 31, 1980, but before January 1, 1982, 2-1/2 percent;

(2) For taxable years beginning after December 31, 1981, but before January 1, 1983, five percent;

(3) For taxable years beginning after December 31, 1982, but before January 1, 1984, 2-1/2 percent.

For corporations that change their accounting period while the subdivision is in effect, the surtax assessment applying to the tax on the annual basis would be determined by multiplying five percent by the ratio determined by dividing the number of months in the accounting period which falls between June 30, 1981 and July 1, 1983 by the number of months in the accounting period. The additional privilege and income tax imposed pursuant to this subdivision shall be computed and shown as a separate item on returns filed by the corporations subject to the tax.

Sec. 4. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

Subd. 2e. [ADDITIONAL INCOME TAX.] In addition to the tax computed pursuant to subdivisions 2c and 2d or subdivision 3d, there is hereby imposed an additional income tax on individuals, estates, and trusts, other than those taxable as corporations. The additional tax shall be computed by applying the rate of one percent to the tax computed pursuant to subdivision 3d or, in the case of an individual who does not qualify for the low income alternative tax

and estates and trusts, the tax computed pursuant to subdivisions 2c and 2d and sections 290.032 and 290.091 less the credits allowed by sections 290.06, subdivisions 3e, 3f, 9, 9a, 11 and 14, and 290.081, for taxable years beginning after December 31, 1980, and before January 1, 1984.

The additional income tax imposed pursuant to this subdivision shall be computed and shown as a separate item on returns filed by individuals, estates and trusts subject to the tax.

Sec. 5. Minnesota Statutes 1980, Section 290.067, Subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS.] The credit for expenses incurred for the care of each dependent shall not exceed \$400 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$800 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. 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.~~

Sec. 6. Minnesota Statutes 1980, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter and income or franchise taxes paid to any other state or to any province or territory of Canada for which a credit is allowed under section 290.081; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under chapter 290A; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; (g) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; (j) federal transportation tax; ~~and (k) state and local taxes on the sale of gasoline, diesel fuel, and other motor fuels; and (l) 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, 1979. 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. 7. Minnesota Statutes 1980, Section 290.09, Subdivision 10, is amended to read:

Subd. 10. [MEDICAL EXPENSES.] Payments (not compensated for by insurance or otherwise) for *medical, dental, and other expenses for hospital, nursing, medical, surgical, dental, and other healing services, including institutional care and treatment for the mentally ill and physically handicapped and the cost, feeding and maintenance expenses of a guide dog for a blind or deaf person, as defined in section 290.06, subdivision 3e, clauses (4) (d) and (h), and for medical supplies and ambulance hire, incurred by the taxpayer on account of sickness, mental illness, physical handicap or personal injury to himself or his dependents and premiums paid for hospitalization and medical insurance including nonprofit hospital service and nonprofit medical service plans. Payments for traveling expenses shall not be deductible under the provisions of this subdivision. Payments for hotel or similar lodging expenses shall be deductible in the same manner as payments for hospital services, if the taxpayer or his dependent is not hospitalized but is nevertheless required to remain in a medical center away from his usual place of abode, for the purpose of receiving prescribed medical treatment as provided and as limited by section 213 of the Internal Revenue Code of 1954, as amended through December 31, 1980.*

Sec. 8. Minnesota Statutes 1980, 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) Subject to modification pursuant to clause (b), the standard deduction shall be an amount equal to ten percent of the adjusted gross income of the taxpayer, up to a maximum deduction of \$2,000; in the case 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.

(b) For each taxable year beginning after December 31, 1980, the maximum amount of the standard deduction shall be adjusted for inflation. That amount shall be multiplied each year by a figure equal to the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area used for purposes of section 290.06, subdivision 3g. The product of the calculation shall be added to the dollar amount of the maximum standard deduction established in clause (a) to produce the inflation-adjusted maximum standard deduction for each succeeding year in the same manner as provided in section 290.06, subdivision 2d, for the expansion

of the taxable net income brackets.

(c) The commissioner of revenue may establish a standard deduction tax table incorporating the rates set forth in section 290.06, subdivision 2c, and the standard deduction. The tax of any individual taxpayer whose adjusted gross income is less than \$20,000 shall, if an election is made not to itemize non-business deductions, be computed in accordance with tables prepared and issued by the commissioner of revenue. The tables shall be prepared to reflect the allowance of the standard deduction and the personal and dependent credits.

Sec. 9. Minnesota Statutes 1980, Section 290.10, is amended to read:

290.10 [NONDEDUCTIBLE ITEMS.]

In computing the net income no deduction shall in any case be allowed for:

- (1) Personal, living or family expenses;
- (2) Amounts paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate, except as otherwise provided in this chapter;
- (3) Amounts expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;
- (4) Premiums paid on any life insurance policy covering the life of the taxpayer or of any other person;
- (5) The shrinkage in value, due to the lapse of time, of a life or terminable interest of any kind in property acquired by gift, devise, bequest or inheritance;
- (6) Losses from sales or exchanges of property, directly or indirectly, between members of a family, or, except in the case of distributions in liquidation, between an individual and a corporation in which such individual owns, directly or indirectly, more than 50 percent in value of the outstanding stock; or between any person or corporation and a trust created by him or it or of which he or it is a beneficiary, directly or indirectly; for the purpose of this clause, an individual shall be considered as owning the stock owned, directly or indirectly, by his family; and the family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestor, and lineal descendants, but such losses shall be allowed as deductions if the taxpayer shows to the satisfaction of the commissioner that the sale or exchange was bona fide and for a fair and adequate consideration;
- (7) In computing net income, no deduction shall be allowed under section 290.09, subdivision 2, relating to expenses incurred or under section 290.09, subdivision 3, relating to interest accrued;
 - (a) If such expenses or interest not paid within the taxable year or within two and one-half months after the close thereof; and
 - (b) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and
 - (c) If, at the close of the taxable year of the taxpayer or at any time within two and one-half months thereafter, both the taxpayer and the person to whom the payment is to be made are persons between whom losses would be dis-

allowed under clause (6);

(8) ~~(a) Contributions by employees under the federal railroad retirement act, and the federal social security act; or (b) Payments to Minnesota or federal public employee retirement funds; and that. (c) Three-fourths (75 percent) of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code of 1954, as amended through December 31, 1979, which would have been imposed on the same amount of income if such income had been treated as wages from employment and subject to tax under the provisions of section 3101 of the Internal Revenue Code of 1954, as amended through December 31, 1979.~~

(9) Expenses, interest and taxes connected with or allocable against the production or receipt of all income not included in the measure of the tax imposed by this act. ~~When the federal income tax liability is joint and several under a joint federal return of husband and wife, the allowable federal income tax paid on the income included in the joint federal return may be taken as a deduction from gross income by the spouse who paid the federal income tax.~~

(10) In situations where this chapter provides for an exclusion from gross income of a specific dollar amount of an item of income assignable to this state, and within the measure of the tax imposed by this chapter, that portion of the federal income tax ~~paid liability assessed~~ upon such income excluded, and any expenses attributable to earning such income, shall not be deductible in computing net income.

(11) Amounts paid or accrued for such taxes and carrying charges as, under regulations prescribed by the commissioner, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such regulations, to treat such taxes or charges as so chargeable.

Sec. 10. Minnesota Statutes 1980, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] ~~(a) The adjusted gross income shall, except insofar as section 290.19 is applicable, be computed by deducting from the gross income assignable to this state under section 290.17, the following deductions: deduction for~~

~~allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10(9) and 290.18.~~

~~The deduction enumerated in this subdivision This deduction shall be allowed to the extent provided in subdivision 1 and as provided in clauses (b) and (e).~~

~~(b) In the case of corporations, national and state banks for taxable years beginning prior to July 1, 1971 and ending subsequent thereto; federal income taxes allowable as a deduction shall be that part of the federal income tax determined by multiplying the federal income tax liability for such taxable year as reflected on the return filed with the Internal Revenue Service by a fraction, the numerator of which is the number of months in the taxable year prior to July 1, 1971 and the denominator which is the number of months in the entire taxable year; provided that if the taxable period is other than a full year the denominator of the fraction shall be the total number of months for which the federal return is filed.~~

(c) The amount of any additional federal income taxes for 1971 and prior years, where such additional federal income taxes would have been allowed as a deduction from gross income under clause (b) or under prior law, shall be allowed as a deduction in the year in which such additional federal income taxes are paid.

(d) The amount of any overpayment of federal income taxes, whether allowed as a refund or allowed as a credit to any liability, where such overpayment has previously been allowed as a deduction from gross income under Extra Session Laws 1971, Chapter 31, Article 6 or under prior law, shall be added to gross income in the year in which received or credited. individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income.

(ii) taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:

(1) Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year in which the payment was made.

(2) Those paid in a taxable year beginning after December 31, 1980 shall be divided and deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986.

(iii) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this section shall be increased by the self-employment tax allowed under section 290.10, clause (8).

(iv) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(v) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this section shall be modified for such year.

(vi) If the readjustments required in (iv) or (v) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in income as a federal income tax refund.

(vii) Refunds which are not involved with any readjustments under the

transition rule shall be included in income under section 290.01, subdivision 20, clause (a)(6) if it is from a year beginning before January 1, 1981.

(viii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

Sec. 11. Minnesota Statutes 1980, Section 290.18, is amended by adding a subdivision to read:

Subd. 4. [TAXABLE NET INCOME ADJUSTMENT FACTOR.] For the taxable year beginning after December 31, 1980 and ending before January 1, 1982, the commissioner of revenue shall adjust taxable net income by multiplying the taxable net income of each individual, estate and trust by a fraction, the numerator of which is one plus the predicted rate of growth in average Minnesota gross income between tax year 1980 and tax year 1981. The denominator of the adjustment fraction shall be one plus the product of (a) the predicted rate of growth in average Minnesota gross income as determined above, and (b) the difference between the ratio of Minnesota gross income to Minnesota adjusted gross income and the product of the ratio of federal taxes paid to Minnesota adjusted gross income and an estimate of average federal income tax elasticity relating percent changes in federal adjusted gross income to percent changes in net federal income tax liabilities.

For each taxable year beginning after December 31, 1981, the commissioner of revenue shall adjust taxable net income by multiplying the taxable net income of each individual, estate, and trust by an adjustment factor determined by multiplying the previous year's adjustment factor by the current year adjustment factor as defined above using data appropriate to the current year.

The data used shall reflect the most current aggregate tax statistics collected and tabulated by the department of revenue. The estimate of the percentage increase in Minnesota gross income shall be based on the best available data sources and reasonable forecasting procedures. The estimate of federal income tax elasticity shall reflect the best available sources of information, including the judgment of the United States Internal Revenue Service and the United States Treasury, Office of Tax Analysis. The determination of the commissioner pursuant to this section shall not be considered a "rule" and shall not be subject to the administrative procedures act contained in chapter 15.

No later than October 1 of each tax year, the commissioner shall announce the adjustment factor to be applied to taxable net income, including its separate components, and the estimate of federal elasticity.

Sec. 12. Minnesota Statutes 1980, Section 290.37, Subdivision 3, is amended to read:

Subd. 3. [INFORMATION INCLUDED IN RETURN.] The return provided for herein shall require a statement of the name of the taxpayer, or taxpayers, if the return be a joint return, and the address of such taxpayer in the same name or names and same address as the taxpayer has used in making his income tax return to the United States under the terms of the internal revenue act code of 1954, and shall include the social security number of the taxpayer, or taxpayers, if a social security number has been issued by the United States with respect to said taxpayers, and shall include the amount of the adjusted

gross income of such taxpayer as the same appears on said return to the United States internal revenue service for the taxable year to which such Minnesota state return is applicable; or, in lieu thereof, and the commissioner may require the taxpayer shall to attach to his Minnesota state income tax return a copy of the federal income tax return which he has filed or is about to file for such period. The commissioner of revenue, if necessary to audit the return of the taxpayer for a particular period, may require a detailed schedule of the items used to compute the adjusted gross income of such taxpayer as the same appears on said return to the United States internal revenue service for the taxable year to which such Minnesota return is applicable; or, in lieu thereof, a copy of the federal income tax return filed for such period.

Sec. 13. [ADJUSTMENT TO WITHHOLDING AND DECLARATIONS.]

For taxable years beginning after December 31, 1982, but before January 1, 1984, the commissioner of revenue shall adjust the withholding tables, notwithstanding section 290.92, subdivision 2a, so that the additional tax imposed by section 4, is withheld and remitted by employers during the first six months of the taxable year.

For the same period, the commissioner shall require that declarations filed during the first six months of the taxable year by individuals, estates, trusts, and corporations shall include the additional tax imposed by sections 3 and 4.

Sec. 14. Laws 1975, Chapter 226, Section 4, as amended by Laws 1979, Chapter 311, Section 1, is amended to read:

Sec. 4. Section 1 is effective for taxable years commencing after December 31, 1975 and shall, unless reenacted, expire after the taxable year ending December 31, 1981.

Sec. 15. [EFFECTIVE DATE.]

Sections 5, 6, 7, 9, and 10 are effective for taxable years beginning after December 31, 1980.

ARTICLE II

PROPERTY TAX

Section 1. Minnesota Statutes 1980, Section 124.213, is amended to read:

124.213 [STATE SCHOOL 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 ~~17~~ 18 mills on up to 320 acres of 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 agricultural credit shall be applied at a rate of 8 mills on any agricultural property in excess of 640 acres.* 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. 2. Minnesota Statutes 1980, Section 272.01, Subdivision 2, is amended to read:

Subd. 2. (a) When any real or personal property which for any reason is exempt from ad valorem taxes, and taxes in lieu thereof, is leased, loaned, or otherwise made available and used by a private individual, association or corporation in connection with a business conducted for profit, there shall be imposed a tax, for the privilege of so using or possessing such real or personal property, in the same amount and to the same extent as though the lessee or user was the owner of such property.

(b) The tax imposed by this subdivision shall not apply to (1) property leased or used by way of a concession in or relative to the use in whole or part of a public park, market, fair grounds, port authority, municipal auditorium, *airport owned by a city, town, county or group thereof but not the metropolitan airports commission*, municipal museum or municipal stadium or (2) property constituting or used as a public pedestrian ramp, concourse, passenger check-in area or ticket sale counter, boarding area or luggage claim area in connection with a public airport; *provided that real estate which is owned by a municipality in connection with the operation of a public airport and which is leased or used for agricultural purposes shall not be exempt.*

(c) Taxes imposed by this subdivision shall be due and payable as in the case of personal property taxes and such taxes shall be assessed to such lessees or users of real or personal property in the same manner as taxes assessed to owners of real or personal property, except that such taxes shall not become a lien against the property. When due, the taxes shall constitute a debt due from the lessee or user to the state, township, city, county and school district for which the taxes were assessed and shall be collected in the same manner as personal property taxes. If property subject to the tax imposed by this subdivision is leased or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.

Sec. 3. Minnesota Statutes 1980, Section 273.11, Subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 2 and 6 and 7 or section 273.17, subdivision 1, all property shall be valued at its market value. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which

such property would sell at auction or at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the assessed value of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under sections 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 4. Minnesota Statutes 1980, Section 273.11, is amended by adding a subdivision to read:

Subd. 7. [AGRICULTURAL LAND.] Agricultural land shall be valued at the lesser of its market value or the value which could be derived from its free market gross rental rate capitalized at a rate of 5.8 percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county. This information shall be used in reviews of valuations by the town boards of review.

Sec. 5. Minnesota Statutes 1980, Section 273.112, Subdivision 3, is amended to read:

Subd. 3. Real estate shall be entitled to valuation and tax deferment under this section only if it is:

(a) actively and exclusively devoted to golf ~~or~~, skiing or archery or firearms range recreational use or uses and other recreational uses carried on at ~~such golf or skiing~~ the establishment;

(b) five acres in size or more, *except in the case of an archery or firearms range*; and

(c) (1) operated by private individuals and open to the public; or

(2) operated by firms or corporations for the benefit of employees or guests;
or

(3) operated by private clubs having a membership of 50 or more.

Sec. 6. [273.117] [CONSERVATION PROPERTY TAX VALUATION.]

Real property which is subject to a conservation restriction or easement shall be entitled to reduced valuation under this section if:

(a) *The restriction or easement is for a conservation purpose as defined in*

section 84.64, subdivision 2, and is recorded on the property;

(b) The property is being used in accordance with the terms of the conservation restriction or easement.

Sec. 7. Minnesota Statutes 1980, 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 for taxes payable in 1981 and thereafter as follows: the first \$50,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent. *Effective for taxes payable in 1982 and thereafter, the maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 12.* The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. Valuation subject to relief shall be limited to 240 acres of land, most contiguous surrounding, bordering, or closest to 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, provided that noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 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.

Effective for the 1981 assessment and in subsequent years, the assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 8. Minnesota Statutes 1980, 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 for taxes payable in 1981 and thereafter as follows: the first \$25,000 of market value shall be valued and assessed at 16 percent; the next \$25,000 of market value shall be valued and assessed at 22 percent; and the remaining market value shall

be valued and assessed at 28 percent. *Effective for taxes payable in 1982 and thereafter, the maximum amounts of the market value of the homestead brackets subject to the 16 percent and 22 percent rates shall be adjusted by the commissioner of revenue as provided in section 12.* The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. Class 3cc property shall include real estate or mobile homes 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 (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of such a deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) is receiving (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; which aid is at least 90 percent of the total income of such disabled person from all sources. Class 3cc property shall be valued and assessed for taxes payable in 1981 and thereafter as follows: in the case of agricultural land, including a mobile home, used for a homestead, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and mobile homes, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 22 percent, and the remaining market value shall be valued and assessed at 28 percent. *Effective for taxes payable in 1982 and thereafter, in the case of agricultural land including a mobile home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 12, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and mobile homes, the commissioner of revenue shall adjust, as provided in section 12, the maximum amount of the market value of the homestead brackets subject to the five percent and 22 percent rates.* Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650.

Sec. 9. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

Subd. 7d. [LEASED HOMESTEAD PROPERTY.] Class 3g consists of all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located shall be valued and assessed as if they were homestead property within the scope of class 3c or 3cc, whichever is applicable, if all of the following criteria are met:

(a) the occupant is using such property as his permanent residence; and

(b) the occupant is paying the ad valorem property taxes and any special assessments levied against such property; and

(c) the occupant has signed a lease which has an option to purchase the buildings and appurtenances; and

(d) the term of the lease is at least five years.

Any taxpayer meeting all the requirements herein must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to September 1, 1981 and in future years, as soon as possible after signing the lease agreement and occupying the buildings as his homestead.

Sec. 10. Minnesota Statutes 1980, Section 273.13, Subdivision 9, is amended to read:

Subd. 9. [CLASS 4A AND 4B AND 4C.] All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at 43 percent of the market value thereof; except that real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at 40 percent of market value; and except that commercial and industrial property shall constitute class 4c and shall be valued and assessed at 40 percent of the first \$50,000 of market value and 43 percent on the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the 40 percent assessment. In the case of commercial or industrial property, other than state-assessed properties, owned by one person or entity, only one parcel in each county shall qualify for the 40 percent assessment.

Sec. 11. Minnesota Statutes 1980, Section 273.13, Subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to 38 36 percent of market value for taxes levied in 1981 and 34 percent of market value for taxes levied in 1982 and thereafter. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for

rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate containing less than three units when entitled to homestead classification for one or more units shall be classed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7.

Sec. 12. [273.1311] [FLEXIBLE HOMESTEAD BRACKETS.]

Effective for taxes payable in 1982 and subsequent years, the maximum amount of the market value of the homestead brackets shall be adjusted as provided in this section. The equalization aid review committee shall divide the statewide average purchase price of a residential home as indicated by bona fide real estate sales during the previous assessment year by the statewide average purchase price of a residential home during the year immediately preceding the previous assessment year. The resulting quotient shall be multiplied by the maximum amounts of the homestead brackets as provided in section 273.13, subdivisions 6 and 7 for the preceding assessment year, to obtain the revised homestead brackets for the current assessment year. The revised homestead brackets shall be rounded to the nearest \$100. On or before December 1, 1981 and each subsequent year the commissioner of revenue shall announce the revised homestead brackets as adjusted by this section.

Sec. 13. Minnesota Statutes 1980, Section 273.19, Subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3 or 4, property held under a lease for a term of three or more years, and not taxable under section 272.01, subdivision 2, clause (b)(1), or under a contract for the purchase thereof, when the property belongs to the United States, to the state, or to any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or to any railroad company or other corporation whose property is not taxed in the same manner as other property, or when the property is school or other state lands, shall be considered, for all purposes of taxation, as the property of the person so holding the same.

Sec. 14. Minnesota Statutes 1980, Section 273.19, is amended by adding a subdivision to read:

Subd. 4. Property held under a lease for a term of three or more years which is owned by the United States and located within a national park shall be exempt, provided the property was acquired by the United States by condemnation or purchased by the United States under threat of condemnation, and within a reasonable time leased back for noncommercial residential purposes to the person owning the property at the time of acquisition by the United States. If property exempt under this subdivision is subsequently leased or subleased for a term of three or more years to another person, it shall no longer qualify for the exemption provided in this subdivision and shall be placed on the assessment rolls as provided in section 272.02, subdivision 4, and taxed pursuant to subdivision 1 of this section.

The value of improvements made to property otherwise exempt pursuant to this subdivision which are owned by the lessee or to which the lessee has

salvage rights shall be taxable to the lessee pursuant to subdivision 1.

Sec. 15. Minnesota Statutes 1980, Section 273.42, Subdivision 2, is amended to read:

Subd. 2. Owners of land defined as class 3, 3b, 3c, 3cc, 3d or 3f pursuant to section 273.13 listed on records of the county auditor or county treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, except a high voltage transmission line the construction of which was commenced prior to July 1, 1974, shall receive a property tax credit in an amount determined by multiplying a fraction, the numerator of which is the length of high voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the city, township or unorganized township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city, township or unorganized township pursuant to section 273.36. Where a right-of-way width is shared by more than one property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by that property owner. The amount of credit for which the property qualifies shall not exceed 20 percent of the total gross tax on the parcel prior to deduction of the state paid agricultural credit and the state paid homestead credit, provided that, if the property containing the right of way is included in a parcel which exceeds 40 acres, the total gross tax on the parcel shall be multiplied by a fraction, the numerator of which is the sum of the number of acres in each quarter-quarter section or portion thereof which contains a right of way and the denominator of which is the total number of acres in the parcel set forth on the tax statement, and the maximum credit shall be 20 percent of the product of that computation, prior to deduction of those credits. The auditor of the county in which the affected parcel is located shall calculate the amount of the credit due for each parcel and transmit that information to the county treasurer. The county auditor, in computing the credits received pursuant to sections 273.13 and 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section, unless the amount of the credit would be less than \$10.

Sec. 16. Minnesota Statutes 1980, Section 279.37, Subdivision 6, is amended to read:

Subd. 6. The county auditor shall give notice by mail not later than November 30 of each year to the person or persons making such confession of judgment at the address given therein of the payment due under the confession on the following December 31. *If the county auditor has not received the installment payment by December 31, he shall give notice by certified mail at the last known address of the person making the confession of judgment, without regard to the county or state of his residency. This notice shall state that the property shall be subject to the tax forfeiture laws if payment is not made within 60 days from the preceding December 31. Failure to send or receive the notice shall not operate to postpone any payment or excuse any default under the confession of judgment. Proof of such mailing shall be made by the certificate of the auditor filed in his office.*

Sec. 17. Minnesota Statutes 1980, Section 281.23, Subdivision 5, is amended to read:

Subd. 5. [SERVICE BY SHERIFF OR CERTIFIED MAIL.] Forthwith after

the commencement of such publication the county auditor shall deliver to the sheriff of the county a sufficient number of copies of such published notice for service upon the persons in possession of all parcels of such land as are actually occupied, together with a copy of the posted notice or notices referred to in such published notice. Within 30 days after receipt thereof, the sheriff shall make such investigation as may be necessary to ascertain whether the parcels covered by such notice are actually occupied or not, and shall serve a copy of such published notice upon the person in possession of each parcel found to be so occupied, in the manner prescribed for serving summons in a civil action. The sheriff shall make prompt return to the auditor as to all notices so served and as to all parcels found vacant and unoccupied. Such return shall be made upon a copy of such published notice and of the posted notice or notices covered thereby and shall be prima facie evidence of the facts therein stated. Unless compensation for such services is otherwise provided by law, the sheriff shall receive from the county, in addition to his other compensation prescribed by law, such fees and mileage for service on persons in possession as are prescribed by law for such service in other cases, and shall also receive such compensation for making investigation and return as to vacant and unoccupied lands as the county board may fix, subject to appeal to the district court as in case of other claims against the county.

Forthwith after the commencement of such publication, the county auditor shall also give notice by certified mail to the taxpayer as shown on the last statement without regard to the county or state of residency, and give notice by certified mail at the last known address of the person in whose name the property is assessed on the latest tax statement without regard to the county or state of residency. Failure to receive the notice shall not operate to postpone any payment or excuse any default under this section. Proof of such mailing shall be made by the certificate of the auditor filed in his office.

Sec. 18. [TRANSITIONAL PROVISION.]

Any parcel of property forfeited subsequent to January 1, 1978 and prior to December 31, 1978, the landowner of which would have received the notice provided in section 16 if section 16 had been in effect at the time the installment payment on his property became overdue, and which has not been sold pursuant to chapter 282, may be repurchased pursuant to section 282.241 without the approval of the board of county commissioners. This provision shall apply only if

(a) the landowner or if the landowner is a corporation, the corporation or the shareholders of the corporation individually, have been the owner or owners of the property for a period of at least 15 years prior to the date of forfeiture, and during the period of ownership current taxes were timely paid for at least seven successive years; and

(b) the investment of the landowner or if the landowner is a corporation, of the corporation or the shareholders of the corporation individually, in taxes, special assessments, penalties, interest and costs paid prior to the forfeiture exceeds \$8,000; and

(c) prior to June 15, 1981, the landowner tenders to the county treasurer of the county in which the land is located, notwithstanding the provisions of section 282.261, full payment of the total cost of repurchase of the land as computed pursuant to sections 282.241 and 282.251.

Sec. 19. Minnesota Statutes 1980, Section 290A.04, Subdivision 2c, is amended to read:

Subd. 2c. If the net property taxes payable on a homestead in 1981 increase more than ten percent over the net property taxes payable in 1980 on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 percent of the amount by which the increase exceeds ten percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed ~~\$300~~ \$500.

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 273.13, subdivisions 6, 7 and 14a; and 273.115, subdivision 1; and Laws 1980, Chapter 432, Section 7; and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to proofs required pursuant to this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

Sec. 20. Minnesota Statutes 1980, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2d. *If the net property taxes payable on a homestead increase more than 20 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 75 percent of the amount by which the increase exceeds 20 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$200.*

For purposes of this subdivision, "net property taxes payable" means property taxes, whether or not the taxes are eligible for reimbursement pursuant to section 273.13, subdivision 15b, payable after reductions made pursuant to sections 273.13, subdivisions 6, 7 and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 124.213; 273.135; and 273.1391; and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b but with no deduction of the amount received pursuant to this subdivision for the preceding year.

In addition to proofs required pursuant to this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

On or before December 1, 1981, the commissioner shall redetermine the estimated total amount of the refunds paid or payable pursuant to Minnesota Statutes 1980, Section 290A.04, Subdivision 2c. If the amount so redetermined is less than \$13,800,000, the commissioner shall add the difference to the appropriation provided in section 24 to make the payments.

On or before December 1, 1981, the commissioner shall estimate the cost of making the payments provided by this section. If the estimated total refund claims exceed the total funds available to pay the refunds, the commissioner

shall reduce the allowable refunds on a proportional basis.

Sec. 21. [AGRICULTURAL LAND VALUATION REPORT.]

By November 1, 1981, each county assessor shall report to the department of revenue on the 1981 estimated market values of each grade of tillable agricultural land and the average rental values of each grade of tillable agricultural land that would be used in a property tax assessment system based on an income capitalization approach for each township in the county.

By January 15, 1982, the department shall report to the legislature its findings and recommendations, derived from that information, regarding valuations to be used in a property tax assessment system based on an income capitalization approach.

Sec. 22. [CITY OF AUSTIN; PROPERTY TAX EXEMPTION.]

The holding of property by the city of Austin for later resale for economic development purposes shall be considered a public purpose in accordance with Minnesota Statutes, Section 272.02, Subdivision 1, Clause (7) for a period not to exceed six years. This subdivision shall not operate to create an exemption from sections 272.01, subdivision 2; 272.68; 273.19; or 462.575, subdivision 3; or other provision of law providing for the taxation of or for payments in lieu of taxes for publicly held property which is leased, loaned, or otherwise made available and used by a private person.

Sec. 23. Minnesota Statutes 1980, Section 360.035, is amended to read:

360.035 [EXEMPTION FROM TAXATION.]

Any properties, real or personal, acquired, owned, leased, controlled, used, or occupied by a municipality for any of the purposes of sections 360.011 to 360.076, are declared to be acquired, owned, leased, controlled, used, or occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any of its political subdivisions. Nothing contained in sections 360.011 to 360.076 shall be construed as exempting properties, real or personal, leased from the municipality to a tenant or lessee who is a private person, association, or corporation from assessments or taxes. ~~If any such Leased municipal airport property is taxable to the lessee, the municipality that is not located at the airport operated by the metropolitan airports commission shall not be subject to payment of any portion of rentals under section 272.68, subdivision 3.~~

Sec. 24. [APPROPRIATION.]

There is appropriated from the general fund to the commissioner of revenue \$14,000,000 to be used during either fiscal year 1982 or 1983 to make the refunds provided in section 20. This appropriation shall expire June 30, 1983.

Sec. 25. [EFFECTIVE DATE.]

Sections 1, 2, 5 to 15, 20, and 22 are effective for taxes levied in 1981 and thereafter, payable in 1982 and thereafter. Sections 3 and 4 are effective for taxes levied in 1983 and thereafter, payable in 1984 and thereafter. Section 18 is effective the day following final enactment. Section 19 is effective for taxes levied in 1980, payable in 1981. If a claimant filed a property tax refund for property taxes payable in 1981 and, if as a result of section 19 the amount of the eligible refund has changed, the claimant may file an amended return

pursuant to section 290.391 to obtain any additional refund due. Taxpayers who meet the requirements in section 9 and who notify the assessor prior to September 1, 1981, shall receive homestead classification on the qualifying property for the 1981 assessment to the same extent as other 3c and 3cc property.

ARTICLE III

PAYMENT RESCHEDULING AND LIMITATIONS

Section 1. Minnesota Statutes 1980, Section 270.75, is amended to read:

270.75 [INTEREST PAYABLE TO COMMISSIONER.]

Subdivision 1. If any tax payable to the commissioner of revenue or to the department of revenue is not paid within the time specified by law for payment, the unpaid tax shall bear interest at the rate of ~~eight~~ 12 percent per annum from the date such tax should have been paid until the date that the tax was paid, unless otherwise provided by law. ~~Unpaid taxes collected under section 290.92 or under chapter 297A shall bear interest at the rate of ten percent per annum from the date such tax should have been paid until the date that the tax was paid.~~

Subd. 2. When an extension of time has been granted by the commissioner, interest shall be paid at the rate of ~~eight~~ 12 percent per annum from the date such payment should have been made, if no extension had been granted, until the date of payment of such tax. ~~Unpaid taxes collected under section 290.92 or under chapter 297A shall bear interest at the rate of ten percent per annum from the date such payment should have been made, if no extension had been granted, until the date of payment of such tax.~~

Subd. 3. If any penalty payable to the commissioner of revenue shall by law bear interest, such penalty shall bear interest at the rate of ~~eight~~ 12 percent per annum from the date the penalty was assessable until the date that such penalty was paid, unless a different rate of interest is otherwise provided by law. ~~Any penalty collected under section 290.92 or under chapter 297A shall bear interest at the rate of ten percent per annum from the date the penalty was assessable until the date that such penalty was paid.~~

Subd. 4. There shall be added to the amount of any underpayment of estimated income tax, computed pursuant to chapter 290, an amount in lieu of interest determined at the rate of ~~eight~~ 12 percent per annum.

Sec. 2. Minnesota Statutes 1980, Section 273.136, Subdivision 3, is amended to read:

Subd. 3. The commissioner of finance shall pay out of the taconite property tax relief account to each county treasurer one-half of the amount certified under subdivision 2 not later than ~~June 15~~ July 15 and the remaining half not later than November 15 of each year commencing in ~~1974~~ 1982.

Sec. 3. Minnesota Statutes 1980, 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, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a unit nursing home on which ad valorem taxes were not payable. "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, Subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources and the denominator of which is income as defined in subdivision 3, to determine the allowable refund pursuant to this chapter. 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. 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 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. 4. Minnesota Statutes 1980, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. A claimant who is a renter or who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount.

Sec. 5. Minnesota Statutes 1980, Section 290A.07, is amended by adding a subdivision to read:

Subd. 2a. A claimant not included in subdivision 2 who is a renter shall receive full payment prior to August 15 or 60 days after receipt of the application, whichever is later.

Sec. 6. Minnesota Statutes 1980, Section 290A.07, Subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2 or section 5 shall receive full payment after September 30 and prior to October 15.

Sec. 7. [295.365] [DECLARATIONS OF ESTIMATED GROSS EARN-

INGS TAX BY TELEGRAPH AND TELEPHONE COMPANIES.]

Every telegraph company subject to taxation pursuant to section 295.32 and every telephone company subject to taxation pursuant to section 295.34, shall make a declaration of estimated gross earnings tax for the calendar year. The declaration of estimated tax shall be filed on or before March 15. The amount of estimated tax with respect to which a declaration is required shall be paid in four equal installments on or before the 15th day of March, June, September, and December. An amendment of a declaration may be filed in any interval between installment dates prescribed above but only one amendment may be filed in each such interval.

If any amendment of a declaration is filed, the amount of each remaining installment 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, as the case may be, by the amount computed by dividing

(1) the difference between (A) the amount of estimated tax required to be paid before the date on which the amendment was made, and (B) the amount of estimated tax which would have been required to be paid before such date if the new estimate had been made when the first estimate was made, by

(2) the number of installments remaining to be paid on or after the date on which the amendment is made.

The commissioner of revenue may grant a reasonable extension of time for filing any declaration but such extension shall not be for more than six months.

Sec. 8. [295.366] [FAILURE BY TELEGRAPH OR TELEPHONE COMPANY TO PAY ESTIMATED GROSS EARNINGS TAX.]

Subdivision 1. [ADDITION TO THE TAX.] In case of any underpayment of estimated tax by a telegraph or telephone company, except as provided in subdivision 4, there shall be added to the tax for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of 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

(1) the amount of the installment, over

(2) the amount, if any, of the installment paid on or before the last date prescribed for payment.

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

(1) The 15th day of the third month following the close of the taxable year.

(2) With respect to any portion of the underpayment, the date on which such portion is paid. For purposes of this paragraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under subdivision 2(1) for such installment date.

Subd. 4. [EXCEPTION.] Notwithstanding the provisions of the preceding subdivisions, the addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser

(1) The tax shown on the return of the corporation for the preceding taxable year.

(2) Eighty per cent of the actual liability for the calendar year.

Sec. 9. Minnesota Statutes 1980, Section 477A.13, is amended to read:

477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of ~~January~~ July of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 84A.51, 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

Sec. 10. [APPROPRIATION LIMITATIONS.]

Subdivision 1. [GENERALLY.] Notwithstanding any other provision of law regarding standing appropriations to the contrary, appropriations for the purposes set forth in this section shall be limited as provided herein.

Subd. 2. [STATE SCHOOL AGRICULTURAL CREDIT.] The appropriation from the general fund to the department of education for the purpose of making the payments provided in Minnesota Statutes, Section 124.213, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$68,400,000; and in fiscal year 1983, the appropriation shall not exceed \$75,400,000. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.

Subd. 3. [WETLANDS CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.115, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$3,200,000; and in fiscal year 1983, the appropriation shall not exceed \$3,700,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.

Subd. 4. [NATIVE PRAIRIE CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.116, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$100,000; and in fiscal year 1983, the appropriation shall not exceed \$100,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.

Subd. 5. [ATTACHED MACHINERY AID.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.138, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$11,500,000; and in fiscal year 1983, the appropriation shall not exceed \$11,500,000. In the event that the sum of the aid calculations exceeds the amount provided in fiscal years 1982 or 1983, the aid calculation amounts shall be proportionally reduced so that the sum equals the amount appropriated.

Subd. 6. [TITLE II AND 3CC REIMBURSEMENTS.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.139, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$10,000,000; and in fiscal year 1983, the appropriation shall not exceed \$13,500,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.

Sec. 11. [REPEALER.]

Minnesota Statutes 1980, Section 291.33, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Section 1, subdivisions 1, 2, and 3 are effective for taxes becoming due after June 30, 1981. Section 1, subdivision 4, is effective for taxable years beginning after December 31, 1980. Sections 2 and 9 are effective January 1, 1982. Section 3 is effective for claims based on rent paid in 1981 and subsequent years. Sections 4, 5 and 6 are effective for claims based on rent paid in 1982 and subsequent years. Sections 7 and 8 are effective for taxable years beginning after December 31, 1982. Section 11 is effective January 1, 1981.

ARTICLE IV

SALES TAX

Section 1. Minnesota Statutes 1980, Section 297A.01, Subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property, for a consideration in money or by exchange or barter;

(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing or processing;

(c) The furnishing, preparing or serving for a consideration of food, meals or drinks, not including hospitals, sanatoriums, nursing homes or senior citizens homes, meals or drinks purchased for and served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA

sections 3001 through 3045, wherever delivered, prepared or served, meals and lunches served at public and private schools, universities or colleges, or the occasional meal thereof by a charitable or church organization;

(d) The granting of the privilege of admission to places of amusement or athletic events and the privilege of use of amusement devices or athletic facilities;

(e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service and intrastate toll service except such service provided by means of coin operated telephones; the tax imposed on amounts paid for telephone services is the liability of and shall be paid by the person paying for the services. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale.

Sec. 2. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, *but not including foods which are prepared or specially sliced, wrapped, arranged or displayed, and sold cold or hot for immediate consumption on or off the premises on which the sale is made, whether sold in individual servings or in larger quantities, except food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge;*

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which,

without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic ca-chous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production

shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the

provisions of sections 270.071 to 270.079. For purposes of this clause, "air-flight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(x) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(y) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(z) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1978; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(aa) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 3. [297A.275] [ACCELERATED PAYMENT OF JUNE LIABILITY.]

Every vendor having a liability of \$13,000 or more in May 1982 or in May of each subsequent year, shall be required to remit the June liability in the manner required by this section.

On or before June 25, 1982, or June 25 of each subsequent year, the vendor shall remit the actual May liability and 50 percent of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.

On or before July 25, 1982, or July 25 of each subsequent year, the vendor

shall submit a return showing the actual June liability and paying the additional amount of tax not remitted in June. If the actual amount paid in June constituting 50 percent of the June liability is less than 50 percent of the actual June liability, there is hereby imposed a penalty equal to ten percent of the difference between 50 percent of the actual June liability and the amount of June liability paid in June. However, the penalty shall not be imposed if the amount remitted in June equals 50 percent of the preceding May's liability.

Sec. 4. Laws 1980, Chapter 607, Article V, Section 5, is amended to read:

Sec. 5. [EFFECTIVE DATE.]

The provisions of section 1 relating to purchases by flying clubs or associations is effective for sales after June 30, 1980. The provisions of section 1 relating to aircraft exclusively used for leasing are effective November 1, 1979. Section 2, clause (y) and section 4 are effective for tickets sold or admissions charged after July 31, 1980; *provided, however, that tickets shall be deemed sold and admissions shall be deemed charged at the time of performance.* Section 2, clause (z) is effective for sales made after June 30, 1980.

Sec. 5. [EFFECTIVE DATE.]

Section 2 is effective for sales made after June 30, 1981. Section 1 is effective the day following final enactment and the commissioner of revenue shall entertain claims for refund filed pursuant to the Minnesota Supreme Court decision in C. G. Rein Company vs. Commissioner of Revenue only if the vendor can demonstrate to the satisfaction of the commissioner that the sales tax will be refunded by the vendor to the person who originally paid the tax. Section 4 is effective for admissions or performances after July 31, 1980.

ARTICLE V

LEVY LIMITATIONS

Section 1. Minnesota Statutes 1980, Section 18.023, is amended by adding a subdivision to read:

Subd. 13. [MUNICIPAL OPTION TO PARTICIPATE IN PROGRAM.] After December 31, 1981, the term "municipality" shall include only those municipalities which have informed the commissioner of their intent to continue an approved disease control program. Any municipality desiring to participate in the grants-in-aid for the partial funding of municipal sanitation and reforestation programs must notify the commissioner in writing before the beginning of the calendar year in which it wants to participate and must have an approved disease control program during any year in which it receives grants-in-aid. Notwithstanding the provisions of any law to the contrary, no municipality shall be required to have an approved disease control program after December 31, 1981.

Sec. 2. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

Subd. 15b. [PROPERTY TAX CREDITS LIMITATION.] The property tax subject to the 58 percent homestead credit provided by subdivisions 6, 7 and 14a, to the homestead property tax relief provided by section 273.135 and to the supplementary homestead property tax relief provided by section 273.1391, shall be based on the total mill rate of all taxing districts levying a

tax on the homestead property unless the payable 1982 total levy of a taxing district other than a school district or the metropolitan transit commission is more than 108 percent of its payable 1981 total levy. If the payable 1982 total levy of such taxing district is more than 108 percent of its payable 1981 total levy, then that total mill rate shall be based on 108 percent of the taxing district's payable 1981 total levy. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's payable 1981 total levy multiplied by 108 percent. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.

Sec. 3. Minnesota Statutes 1980, Section 275.50, Subdivision 2, is amended to read:

Subd. 2. "Governmental subdivision" means any county, ~~city, statutory city, or town having the powers of a statutory city pursuant to sections 368.01 or 368.61, or by special law home rule charter city, statutory city, town or special taxing district determined by the department of revenue.~~ The term does not include school districts, ~~towns without statutory city powers, or special taxing districts determined by the department of revenue or the metropolitan transit commission created pursuant to section 473.404.~~

Sec. 4. Minnesota Statutes 1980, Section 275.50, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in ~~1979 1981 payable in 1980 and thereafter~~ 1982, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law, ~~including the administrative costs of social services 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 excluding the administrative costs of public assistance programs, to the extent of the increase in levy for the taxes payable year 1982 over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, 1981 and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during 1982 or those programs or projects approved by the commissioner;

(d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. Except for the costs of general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the aggregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes for the taxes payable year 1981;

(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;

(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;

(g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(i) pay the amounts required to compensate for a decrease in 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 inflation adjusted 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. The

“inflation adjusted aggregate of revenues in calendar year 1971” shall be the sum of (a) the aggregate of revenues received in calendar year 1971 multiplied by the total percentage increase in the consumer price index for the Minneapolis-St. Paul area from the calendar year 1971 to June of the levy year plus (b) the aggregate of revenues received in calendar year 1971. The commissioner of revenue shall calculate and notify the governmental subdivisions of the inflation adjustment by September of the levy year. 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;

(+) (i) 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;

(*) (j) 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;

(+) (k) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(m) (l) 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;

(n) (m) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies

and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

(n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;

(o) pay amounts required by law to be paid to 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;

(p) the amounts allowed under section 174.27 to establish and administer a commuter van program;

(q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, Chapter 253, Section 3;

(r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16.

Sec. 5. Minnesota Statutes 1980, Section 275.51, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any provisions of law or municipal charter to the contrary which authorize ad valorem levies in excess of the limitations established by sections 275.50 to 275.56, but subject to section 275.56, the

provisions of this section shall apply to the levies by governmental subdivisions ~~in for the years 1975, 1976 and subsequent years~~ taxes payable year 1982 for all purposes other than those for which special levies and special assessments are made. Any law or special act enacted in 1981 which authorizes a property tax levy in excess of the limitation imposed by this section is exempt from the provisions of this section.

Sec. 6. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

Subd. 3e. The property tax levy limitation for any governmental subdivision for the taxes payable year 1982 shall be calculated as follows:

(a) If the governmental subdivision was subject to the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, the amounts levied by the governmental subdivision for the taxes payable year 1981 pursuant to Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clause (i) and subdivision 6 are added to the amount actually levied by the governmental subdivision for the taxes payable year 1981 pursuant to the levy limitation calculated under Minnesota Statutes 1980, Section 275.51.

(b) If the governmental subdivision was not subject to the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, the total amount actually levied by the governmental subdivision for the taxes payable year 1981 is reduced by the amounts levied for those purposes described in Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clauses (e), (f), (g), and (h).

(c) The total property tax levy of a governmental subdivision for the taxes payable year 1981 described in clause (b) shall be the amount certified on the abstracts of tax lists submitted pursuant to section 275.29. For a governmental subdivision within the metropolitan area defined by section 473F.02, subdivision 2, the property tax levy for payable 1981 includes the tax on distribution value for the taxes payable year 1981 pursuant to section 473F.12.

(d) the amount determined in clause (a) or (b) is divided by the total number of homesteads within the governmental subdivision reported on the 1980 abstracts of tax lists and multiplied by the total number of homesteads within the governmental subdivision reported on the 1981 abstracts of tax lists, both of which are submitted pursuant to section 275.29. If the resulting figure is less than the amount determined in clause (a) or (b), the resulting figure is increased to the amount calculated in clause (a) or (b).

(e) The result of the calculation in clause (d) is multiplied by 108 percent. The resulting figure is the maximum amount that the governmental subdivision may levy for the taxes payable year 1982 for all purposes except special levies and special assessments.

(f) To the extent the levy of the metropolitan council for taxes payable in 1981 was less than its levy limitation for that year, it may apply to the commissioner to have its levy limitation increased by the amount by which the 1981 levy limitation exceeded the 1981 levy. The adjustment shall be added to the amount calculated in clause (a).

(g) If the sum of a governmental subdivision's levies for the principal and interest on bonded indebtedness or certificates of indebtedness pursuant to section 275.50, subdivision 5, clauses (e), (f), (g) and (h) for the taxes payable

year 1982 is less than 108 percent of the total amount that it levied for those purposes for the taxes payable year 1981, the governmental subdivision may choose to levy for these purposes within its levy limitation in lieu of the special levy provisions of section 275.50, subdivision 5, clauses (e), (f), (g) and (h). If the governmental subdivision chooses to levy for these purposes within its levy limitation, it shall notify the commissioner of revenue of its intent by October 1, 1981. The amount levied by the governmental subdivision for the taxes payable year 1981 for the purposes described in section 275.50, subdivision 5, clauses (e), (f), (g) and (h) will then be added to the amount calculated in clause (a) or (b).

Sec. 7. Minnesota Statutes 1980, Section 275.51, Subdivision 4, is amended to read:

Subd. 4. If in any year subsequent to 1973 the levy made by a governmental subdivision exceeds the limitation provided in sections 275.50 to 275.56, except when such excess levy is due to the rounding of the mill rates of the governmental subdivision in accordance with section 275.28, subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to section 477A.01, shall be reduced 33 cents for each full dollar the levy exceeds the limitation; provided that a governmental subdivision may determine to levy in excess of the limitation provided in sections 275.50 to 275.56 by not to exceed five percent by passing a resolution setting forth the amount by which the levy limit is proposed to be exceeded. Thereafter the resolution shall be published for two successive weeks in the official newspaper of the governmental subdivision or if there be 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 two weeks nor more than four 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 authorizing a levy in excess of the limitation imposed by sections 275.50 to 275.56 shall be published in the official newspaper of the governmental subdivision or if there be 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 is directed to prepare a suggested form of question to be presented at any such referendum. A levy approved at any such 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 per capita of the governmental subdivision for future levy years, and there shall be no reduction in distributions of formula aids to the governmental subdivision as a result of such levy. If no referendum is requested, the excess levy authorized by the resolution, if the resolution is adopted prior to October 1 in any year, may be levied in that same

levy year and subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to section 477A.01, shall be reduced 15 cents for each full dollar the levy exceeds the limitation. The provisions of this subdivision shall apply to the levy of a metropolitan county before the reduction required pursuant to section 163.051, subdivision 5.

Sec. 8. Minnesota Statutes 1980, 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 any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable.

For property taxes levied in 1981, payable 1982, "property taxes payable" shall be limited to that portion of the property taxes eligible for the homestead credit as determined pursuant to section 2.

Sec. 9. Minnesota Statutes 1980, Section 375.167, Subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATIONS.] Notwithstanding the provisions and limitations of section 275.09, and any other law to the contrary, the county board of any county may appropriate from the general revenue fund to any nonprofit corporation a sum not to exceed one-fourth of a mill on the dollar of the taxable valuation of the county for the purpose of providing legal assistance to persons who are unable to afford private legal counsel. This levy shall *not* be subject to the levy limits established by sections 275.50 to 275.59 or sections 3 to 7 and shall be disregarded in the calculation of levies subject to them.

Sec. 10. Minnesota Statutes 1980, Section 458.14, is amended to read:

458.14 [RIGHT TO LEVY TAXES OR ASSESSMENTS FORBIDDEN.]

The port authority shall have no right or authority to levy any tax or special assessment, nor to pledge the credit of the state, or any other subdivision or municipal corporation thereof; nor to incur any obligation enforceable upon any property, either within or without the port district, other than property

owned by the port authority. Annually, at such time as may be fixed by charter, resolution, or ordinance of the city in and for which any such port authority is created, the port authority shall transmit to the council of such city a detailed estimate, in writing, of the amount of money which in its opinion will be required for the business and proper conduct of its affairs during the next ensuing fiscal year, in excess of any expected receipts from the conduct of its business, or other sources, and any such city, in addition to all other powers now possessed thereby, and in addition to, and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, is hereby granted the power and authority, in its discretion, to levy taxes for the benefit of, and for expenditure by, such port authority, not exceeding in any one year an amount equal to a tax of five one-hundredths of one mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits, and any amount so levied for such purposes shall be paid over by the city treasurer to the treasurer of the port authority, for expenditure by it, as above provided. The fiscal year of such port authority shall be identical with the fiscal year of such city. The board of county commissioners of any county in which any such city is located, is also hereby authorized to appropriate for the use of such port authority, and to include therefor in its levy for general revenue purposes, such amount as it may deem proper; provided, that the total amount permitted by law to be levied by any county for general revenue purposes shall not be deemed increased by this provision; the board of county commissioners in any county entitled to appoint members of a seaway port authority, may annually, upon receipt of a budget as specified above from such port authority, in its discretion levy a tax sufficient to produce a sum not exceeding \$50,000 for the benefit of and for expenditure by such port authority to defray the costs of its current operations in the next ensuing fiscal year which levy shall not be included in computing the amount of levies subject to tax limitations under *chapter 275* or any other provision of law. The appropriation to a port authority of moneys derived from any of the county taxes herein authorized shall not be subject to any budgetary law applicable to said county. Any amounts so appropriated or levied by the county shall be paid over by the county treasurer to the port authority for expenditure by it as herein provided, at such times and in such manner as the county board may provide. When any city entitled to appoint members of a seaway port authority has secured the approval of two-thirds of the members of the city council of such city to issue its general obligation bonds, the proceeds of which are to be appropriated to such seaway port authority, the board of county commissioners of any county entitled to appoint members of such seaway port authority may by five-sevenths vote issue general obligation bonds of the county in an amount not to exceed \$4,000,000, and appropriate the proceeds thereof to be used by such port authority for any or all of the purposes specified in section 458.15, if the county board by resolution determines that the conservation, development, reclamation, protection and improvement of lands under the jurisdiction of such port authority and the construction of port facilities thereon will promote the public welfare of the county at large and the economic well-being of its people, industries and commerce, and is an essential governmental function of the county, and can best be performed through the medium of such port authority. Any such bonds shall be issued, sold and secured as provided in sections 475.60 to 475.753; an election shall not be necessary to the validity of such bonds.

Sec. 11. [GOODHUE COUNTY FAIR LEVY.]

Any limitation imposed upon the levy of Goodhue county by Minnesota Statutes, Sections 275.50 to 275.56, or sections 3 to 7 of this article, shall be

increased for taxes levied in 1981 payable 1982 by an amount authorized by the county board not to exceed 1/12 of one mill to cover expenses of public fairs in the county as authorized by Minnesota Statutes, Section 38.28.

Sec. 12. [REPEALER.]

Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; and 275.59 are repealed.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 9 and 12 are effective for property taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Section 11 is effective the day after compliance by the Goodhue county board with Minnesota Statutes, Section 645.021, Subdivision 3.

ARTICLE VI

LOCAL GOVERNMENT AIDS

Section 1. [477A.011] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] For the purposes of sections 1 to 4 the following terms shall have these meanings, unless otherwise provided to the contrary.

Subd. 2. [MUNICIPALITY.] Municipality means a statutory or home rule charter city or a town.

Subd. 3. [POPULATION.] Population means the population established by the most recent federal census, by a special census conducted under contract with the United States bureau of the census, by a population estimate made by the metropolitan council, or by a population estimate of the state demographer made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of the count or estimate.

Subd. 4. [EQUALIZED MUNICIPAL MILL RATE.] For any calendar year, a municipality's equalized municipal mill rate means its municipal mill rate for taxes payable in that year multiplied by its aggregate sales ratio for the previous year as prepared by the department of revenue pursuant to section 124.212.

Subd. 5. [AVERAGE EQUALIZED MUNICIPAL MILL RATE.] For any calendar year aid distribution, a municipality's average equalized municipal mill rate means the arithmetic average of its equalized municipal mill rate for the three calendar years previous to the aid distribution year.

Subd. 6. [CONSUMER PRICE INDEX INCREASE.] For any calendar year aid distribution, the consumer price index increase means the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis - St. Paul metropolitan area prepared by the United States department of labor for the 12 month period ending in June of the previous year.

Subd. 7. [LOCAL REVENUE BASE.] For the 1982 aid distribution, a municipality's local revenue base means its local revenue base for the 1981

aid distribution calculated pursuant to Minnesota Statutes 1980, Section 477A.01, less any amount added to the local revenue base for the costs of principal and interest on bonded debt incurred for the purpose of providing capital replacement for streets, curbs, gutters, storm sewers, and bridges, increased in the manner prescribed by clauses (a) and (b). For all subsequent calendar year aid distributions, a municipality's local revenue base means its local revenue base for the previous year aid distribution calculated pursuant to sections 1 to 4 increased by:

- (a) a percentage equal to the consumer price index increase; and
- (b) a percentage equal to the percentage increase in population over that used to compute the previous year aid distribution, if any.

The local revenue base for a statutory or home rule charter city or a town having the powers of a statutory city pursuant section 368.01 or special law which has a population of 2,500 or more according to the most recent federal census and which does not have a local revenue base for the previous year aid distribution shall be established by adding the prior year's local government aid received pursuant to Minnesota Statutes 1980, Section 477A.01 or sections 1 to 4, and the property tax levy, exclusive of levies for bonded indebtedness, in the preceding year and multiplying that sum by a percentage equal to the consumer price index increase.

Subd. 8. [PREVIOUS YEAR AID.] For the 1982 aid distribution, a municipality's previous year aid means its aid amount computed pursuant to Minnesota Statutes 1980, Sections 477A.01 to 477A.03, notwithstanding the amount withheld pursuant to section 16A.15 because funds in the state treasury were insufficient. For 1983 and all subsequent calendar year aid distributions, previous year aid means aid received pursuant to sections 1 to 4 in the previous calendar year.

Subd. 9. [MINIMUM INCREASE.] For any calendar year aid distribution, a municipality's minimum increase shall mean:

- (a) \$5 per capita if its average equalized municipal mill rate is greater than 20 mills;
- (b) \$3 per capita if its average equalized municipal mill rate is greater than 10 mills but not greater than 20 mills;
- (c) \$1 per capita if its average equalized municipal mill rate is not greater than 10 mills and if it is a statutory or a home rule charter city, or town which falls under the provisions of section 3, subdivision 2.

(d) \$0 if its average equalized municipal mill rate is not greater than 10 mills and if it is a town which does not fall under the provisions of section 3, subdivision 2.

Subd. 10. [MAXIMUM INCREASE.] For any calendar year aid distribution, a municipality's maximum increase shall mean the following percentage of its previous year aid:

- (a) 12 percent if its previous year aid is greater than \$100 per capita;
- (b) 15 percent if its previous year aid is greater than \$75 per capita but not greater than \$100 per capita;
- (c) 17 percent if its previous year aid is greater than \$50 per capita but not greater than \$75 per capita;
- (d) 20 percent if its previous year aid is not greater than \$50 per capita.

Subd. 11. [EQUALIZED ASSESSED VALUE.] For any calendar year aid distribution, a municipality's equalized assessed value means its previous year taxable valuation, adjusted for the contributions and distributions required by chapter 473F in the case of a city or town located within the metropolitan area and less the captured value in any tax increment district, divided by the municipality's aggregate sales ratio covering the period ending two years prior to the year of aid distribution.

Sec. 2. [477A.012] [COUNTY GOVERNMENT DISTRIBUTIONS.]

In each calendar year, every county government except that of a county containing a city of the first class shall receive a distribution equal to its previous year aid.

Sec. 3. [477A.013] [MUNICIPAL GOVERNMENT DISTRIBUTIONS.]

Subdivision 1. [MUNICIPALITIES UNDER 2,500 POPULATION.] In each calendar year, each municipality which is not covered by the provisions of subdivision 2 shall receive a distribution equal to its previous year aid plus its minimum increase.

Subd. 2. [MUNICIPALITIES OVER 2,500 POPULATION.] In each calendar year, each statutory and home rule charter city, and each town having the powers of a statutory city pursuant to section 368.01 or special law, which has a population of 2,500 or more according to the latest federal census shall receive a distribution equal to the amount obtained by subtracting the product of 10 mills and the municipality's equalized assessed value from the local revenue base. This amount shall then be adjusted, so that it is neither less than the sum of its previous year aid and its minimum increase, nor greater than the sum of its previous year aid and its maximum increase.

Sec. 4. [477A.014] [COMMISSIONER'S RESPONSIBILITIES.]

Subdivision 1. [CALCULATIONS AND PAYMENTS.] The commissioner of revenue shall make all necessary calculations and make payments pursuant to sections 2, 3 and 6 directly to the affected taxing authorities in six installments on July 15, August 15, September 15, October 15, November 15, and December 15 annually.

For calendar year 1981 only, the commissioner shall make the payments in seven installments computed as follows: one-fourth of the calendar year 1981 aids shall be paid on March 15; the remaining amounts shall be divided into six equal payments to be made on July 15, August 15, September 15, October 15, November 15, and December 15.

Subd. 2. [ERRORS.] A taxing authority may object to the commissioner of revenue with respect to the amount of the distribution it has been certified to receive pursuant to subdivision 1. No objection 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.

Subd. 3. [AID AMOUNT CORRECTION.] If, due to an error in the factors used to calculate a taxing authority's aid pursuant to section 2 or 3 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 dis-

tribution shall be paid from the general fund and shall not diminish the distributions made to other taxing authorities under this section.

Sec. 5. [477A.015] [NEW TAXES PROHIBITED.]

No county, city, town or other taxing authority shall increase a present tax or impose a new tax on sales or income.

Sec. 6. Minnesota Statutes 1980, Section 477A.03, is amended to read:

477A.03 [APPROPRIATION.]

Subdivision 1. [ANNUAL APPROPRIATION.] A sum sufficient to discharge the duties imposed by ~~section 477A.01, subdivisions 1, 2 and 4~~ sections 1 to 4 is annually appropriated from the general fund to the commissioner of revenue.

Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 shall not exceed \$270,725,464 for calendar year 1982 and shall not exceed \$270,725,464 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 2 and 3, each governmental unit receiving local government aid shall have its distribution proportionally reduced, but no local government unit shall receive less aid than its previous year aid.

Sec. 7. Minnesota Statutes 1980, Section 477A.04, Subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year ~~1982~~ 1983 and subsequent years, an assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than ten percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capita if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

Sec. 8. [REVISOR'S INSTRUCTION.]

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall, in each section referred to in column A, strike the reference referred to in column B and insert the reference set forth in column C. The revisor shall substitute the appropriate coding for the references in column C, for those sections which will be coded.

Column A	Column B	Column C
216B.36	477A.01, Subd. 18	Art. VI, Section 5
256E.06	477A.01, Subd. 2	Art. VI, Section 2
275.51, Subd. 4	477A.01	Art. VI, Secs. 1 to 4
275.55	477A.01	Art. VI, Secs. 1 to 4
477A.04, Subd. 3	477A.01	Art. VI, Secs. 1 to 4

Sec. 9. [REPEALER.]

Minnesota Statutes 1980, Section 477A.01, is repealed.

Sec. 10. [EFFECTIVE DATE.]

This article is effective January 1, 1982, except for those provisions of section 4, subdivision 1 which relate to payments in calendar year 1981, which are effective July 1, 1981.

ARTICLE VII

LOCAL IMPROVEMENTS

Section 1. Minnesota Statutes 1980, Section 429.031, is amended to read:

429.031 [PRELIMINARY PLANS, HEARINGS.]

Subdivision 1. [~~PREPARATION OF PLANS, PUBLISHED NOTICE OF AND HEARING.~~] Before the municipality awards a contract for an improvement or orders it made by day labor, or before ~~the municipality shall have the power to~~ it may assess any portion of the cost of an improvement to be made ~~under a cooperative agreement with~~ by the state or another political subdivision for sharing the cost of ~~making such improvement~~, the council shall hold a public hearing on the proposed improvement following two publications in the official newspaper of a notice stating the time and place of the hearing, the general nature of the improvement, the estimated capital cost, and the area proposed to be assessed. The two publications of the notice shall be a week apart and the hearing shall be at least three days after the last publication.

Subd. 1a. [NOTICE OF ANNUAL CHARGES.] If it is proposed to assess annual charges for the operation, maintenance, or promotion of an improvement against property within the area described in the notice of hearing, when operation, maintenance, or promotion is included in the definition of the improvement in section 429.021, subdivision 1, and if the notice is published after May 31, 1981, it shall include a statement of the proposal, an estimate of the amount of the charges for operation, maintenance and promotion for the first full year of operation, and a statement that the owner or owners of any parcel of land within the area may file a written protest against the proposal with the municipal clerk, at any time before the adoption of a resolution ordering the improvement. If protests are received, and not withdrawn before the adoption of the resolution, from the owners of 20 percent or more of the area of the parcels proposed to be assessed, the council may not assess the annual charges for operation, maintenance and promotion. Nothing in this subdivision shall affect the authority of the council to assess the capital cost of the improvement.

Subd. 1b. [MAILED NOTICE.] Not less than 10 days before the hearing, notice thereof shall also be mailed to the owner of each parcel within the area proposed to be assessed, but failure to give mailed notice or any defects in the notice shall not invalidate the proceedings. For the purpose of giving mailed notice, owners shall be those shown to be such 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. However, as to properties which are tax exempt or subject to taxation on a gross earnings basis and are not listed on the records

of the county auditor or the county treasurer, the owners thereof shall be ascertained by any practicable means and mailed notice shall be given them as herein provided.

Subd. 1c. [PRELIMINARY REPORT.] Prior to the adoption of such resolution hearing, the council shall secure from the city engineer, or some competent person of its selection a consulting engineer or architect experienced in the design of the type of improvement proposed, a preliminary report advising it in a preliminary way as to whether the proposed improvement is feasible and as to whether it should best be made as proposed or in connection with some other improvement and. The report shall state the estimated capital cost of the improvement as recommended; but, and the estimated cost of operation, maintenance, and promotion for the first full year of operation, if operation, maintenance or promotion cost is proposed and authorized by law to be assessed and the notice of hearing is published after May 31, 1981. No error or omission in such report shall invalidate the proceeding unless it materially prejudices the interests of an owner. The council may also take such other steps prior to the hearing, including, among other things, the preparation of plans and specifications and the advertisement for bids thereon, as will in its judgment provide helpful information in determining the desirability and feasibility of the improvement.

Subd. 1d. [ADJOURNMENT.] The hearing may be adjourned from time to time and by public announcement to those present at the original hearing or any adjourned hearing, of the time and place to which it is adjourned, or by publication of a notice in the official newspaper at least three days before the date of the adjourned hearing, stating the time and place.

Subd. 1e. [RESOLUTION.] A resolution ordering the improvement may be adopted at any time within six months after the date of the hearing. The resolution may be adopted by vote of a majority of all members of the council when the improvement has been petitioned for by the owners of not less than 35 percent in frontage of the real property abutting on the streets named in the petition as the location of the improvement. When there has been no such petition, the resolution may be adopted only by vote of four-fifths of all members of the council; provided that if entitled to vote on it, not including the mayor of the municipality is a or any other member of the council but who has no vote or votes only in case of a tie, he shall not be deemed to be a member for the purpose of determining such four-fifths majority vote. The resolution ordering the improvement may reduce, but may not increase the extent of the improvement as stated in the notice of hearing.

Subd. 2. [APPROVAL BY PARK BOARD OR UTILITIES COMMISSION.] A resolution ordering a park improvement may be adopted only by a four-fifths vote of the council and shall also be approved by the park board, if there is one; provided, that if the mayor of the municipality is a member of the council but has no vote or votes only in case of a tie, he shall not be deemed to be a member for the purpose of determining such four-fifths majority vote. A resolution ordering an improvement of the water, sewer, steam heating, street lighting or other facility over which a utilities commission has jurisdiction shall also be approved by the utilities commission.

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real

property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property; the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081.

Sec. 2. Minnesota Statutes 1980, Section 429.051, is amended to read:

429.051 [APPORTIONMENT OF COST.]

The *capital* cost of any improvement, or any part thereof, may be assessed upon property benefited by the improvement, based upon the benefits received, whether or not the property abuts on the improvement and whether or not any part of the cost of the improvement is paid from the county state-aid highway fund, the municipal state-aid street fund, or the trunk highway fund. *The cost assessed shall be limited to the sum of the capital expenditures required to complete the improvement, as determined in accordance with accepted accounting principles and as described in section 475.65, unless the assessment of the cost of operation, maintenance, or promotion of the improvement has been authorized upon the conditions set forth in section 429.031, subdivision 1a.* The area assessed may be less than but may not exceed the area proposed to be assessed as stated in the notice of hearing on the improvement, except as provided below. The municipality may pay such portion of the cost of the improvement as the council may determine from general ad valorem tax levies or from other revenues or funds of the municipality available for the purpose. The municipality may subsequently reimburse itself for all or any of the portion of the cost of a water, storm sewer, or sanitary sewer improvement so paid by levying additional assessments upon any properties abutting on but not previously assessed for the improvement, on notice and hearing as provided for the assessments initially made. To the extent that such an improvement benefits nonabutting properties which may be served by the improvement when one or more later extensions or improvements are made but which are not initially assessed therefor, the municipality may also reimburse itself by adding all or any of the portion of the cost so paid to the assessments levied for any of such later extensions or improvements, provided that notice that such additional amount will be assessed is included in the notice of hearing on the making of such extensions or improvements. The additional assessments herein authorized may be made whether or not the properties assessed were included in the area described in the notice of hearing on the making of the original improvement.

In any city of the fourth class electing to proceed under a home rule charter as provided in this chapter, which charter provides for a board of water commissioners and authorizes such board to assess a water frontage tax to defray the cost of construction of water mains, such board may assess the tax based upon the benefits received and without regard to any charter limitation on the amount that may be assessed for each lineal foot of property abutting on the water main. The water frontage tax shall be imposed according to the procedure and, except as herein provided, subject to the limitations of the charter of the city.

Sec. 3. Minnesota Statutes 1980, Section 429.061, Subdivision 1, is

amended to read:

Subdivision 1. [CALCULATION, NOTICE.] At any time after the *capital* expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total *capital* expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be such 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. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. 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. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. No appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The notice shall also state that an owner may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality.

Sec. 4. Minnesota Statutes 1980, Section 429.061, is amended by adding a subdivision to read:

Subd. 5. [ANNUAL ASSESSMENT OF OPERATING COST.] When the annual cost of operation, maintenance, or promotion of an improvement is authorized to be assessed upon the conditions provided in section 429.031, subdivision 1a, the proposed assessment roll, if prepared after May 31, 1981, shall include a separate calculation of the proper amount to be specially assessed against each assessable lot, piece, or parcel of land for the payment of the estimated cost of the operation, maintenance and promotion for the next full year of operation. If operation has commenced or is expected to commence

before July 1 of the year following the adoption of the assessment roll, an additional amount may be included, proportionate to the fraction of a year between the date of commencement and the following July 1. The amount so assessed shall be due and payable at the same time as taxes on the property payable in the year following the adoption of the assessment roll. In each subsequent year the council may assess an additional amount against the property, not exceeding the lesser of

(1) the estimated cost of operation, maintenance, and promotion of the improvement for the year commencing on the following July 1, diminished by the amount, if any, estimated to be on hand and available for the purpose on that date, or

(2) the amount of the annual cost of operation, maintenance and promotion estimated in the original notice of hearing on the improvement, or in the first assessment of annual charges if the notice was published before June 1, 1981, increased or diminished by the percentage by which the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area, prepared by the United States department of labor with 1967 as a base, has increased or diminished since the last index prepared preceding the original publication of notice of hearing on the improvement.

Sec. 5. Minnesota Statutes 1980, Section 429.061, is amended by adding a subdivision to read:

Subd. 6. [HEARING AND APPEAL.] On and after June 1, 1981, regardless of the date on which proceedings to make an improvement were commenced, no assessment of annual cost of operation, maintenance or promotion of the improvement subsequent to the original assessment of its capital cost shall be made unless a public hearing is held on the matter and notice is mailed to the owner of each parcel to be assessed at least two weeks before the hearing, stating the amount of the assessment and that the owner may appeal from it as provided in subdivision 1. No published notice of the hearing shall be required. The only grounds for appeal shall be that the assessment has been incorrectly computed, or that the manner of operation and maintenance of the improvement has changed to the extent that it no longer produces benefit to the land as determined upon the initial assessment hearing.

Sec. 6. [SOUTH ST. PAUL; SEWER IMPROVEMENTS.]

If the city of South St. Paul issues bonds under Minnesota Statutes, Section 115.46 to finance the cost of separation of its combined storm and sanitary sewer system, the city may refund all or any part of the collections of special assessments previously levied and collected with respect to any part of the sewer separation project and may include in the principal amount of the bonds issued an amount sufficient to make the refunds. To make the refunds the city may use money derived from the sale of bonds as authorized in the preceding sentence, money in the city's general fund, or both.

Sec. 7. [PRIOR SPECIAL ASSESSMENTS.]

If the city of South St. Paul refunds the special assessments collected with respect to its sewer separation project as authorized by section 6, the city may cancel all remaining installments of the special assessments, but if the special assessments are pledged to the payment of improvement bonds issued by the city under Minnesota Statutes, Chapter 429, the city shall, prior to the can-

cellation, levy and certify to the Dakota county auditor, in the manner provided in Minnesota Statutes, Section 475.61, a direct general ad valorem tax upon all taxable property in the city collectible for a number of years and in amounts which, when combined with the collections of any other general ad valorem taxes previously levied with respect to the improvement bonds, will yield not less than five percent more than the amount needed to meet when due the principal and interest payments on the improvement bonds, and shall irrevocably appropriate the taxes so levied to the debt service fund or account created for the payment of the improvement bonds.

Sec. 8. [PUBLIC HEARINGS.]

If the governing body of the city of South St. Paul proposes to refund previously collected special assessments or to impose a property tax for the cost of completing the separation of its combined storm and sanitary sewer system pursuant to sections 6 and 7, it shall conduct a public hearing on the question according to the procedures for hearing after mailed notice as provided in Minnesota Statutes, Section 429.031, Subdivision 1.

Sec. 9. [LOCAL APPROVAL; EFFECTIVE DATE.]

Sections 6 to 8 shall be effective the day after compliance with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3, by the South St. Paul city council.

Sec. 10. [INVER GROVE HEIGHTS; DEVELOPMENT AUTHORIZATION.]

Notwithstanding the provisions of any law or rule to the contrary, the city of Inver Grove Heights may approve development and issue development permits in an area within the city designated an area of critical concern pursuant to Minnesota Statutes, Section 116G.06, prior to the approval of the city's proposed plans and regulations for the designated area by the Minnesota environmental quality board pursuant to Minnesota Statutes, Section 116G.07, upon a finding by the governing body of the city of Inver Grove Heights that the proposed development and the issuance of the development permits is in conformance with the proposed plans and regulations of the city.

Sec. 11. [EFFECTIVE DATE.]

Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), section 10 is effective without local approval the day after final enactment.

Sec. 12. [EFFECTIVE DATE.]

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

ARTICLE VIII

PROPERTY TAX ADMINISTRATION

Section 1. Minnesota Statutes 1980, Section 270.11, Subdivision 2, is amended to read:

Subd. 2. [COUNTY AUDITOR'S ASSESSOR'S REPORTS OF ASSESSMENT FILED WITH COMMISSIONER.] The commissioner of revenue may require the auditor assessor of each county in the state to file with him, on or before August 1, each year, complete abstracts of all real and personal property in the county, as equalized by the county board of equalization, and itemized

by assessment districts, accompanied by a printed or typewritten copy of the proceedings of the county board of equalization, and it shall be the duty of the county ~~auditor~~ *assessor* to so report to the commissioner of revenue.

The final abstract of assessments after adjustments by the state board of equalization and inclusion of any omitted property shall be submitted to the commissioner of revenue on or before January 1 of each calendar year.

Sec. 2. Minnesota Statutes 1980, Section 271.10, Subdivision 2, is amended to read:

Subd. 2. [SERVICE OF WRIT.] Within 60 days after notice of the making and filing of the order of the tax court, or the making and filing of an order on a petition for rehearing, the petitioner for review shall obtain from the supreme court a writ of certiorari, and shall serve the same upon the ~~commissioner of revenue and upon~~ all other parties appearing in the proceedings before the tax court, ~~also upon the attorney general, unless he is the petitioner,~~ and shall file the original, with proof of such service, with the clerk of the tax court. Every petitioner, except the attorney general, the commissioner of revenue, the state and its political subdivisions, shall also pay to the clerk the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule, and file a bond or make a deposit in like manner and amount as in case of an appeal from the district court. The fee shall be disposed of as in such case. Return upon the writ shall be made to the supreme court and the matter shall be heard and determined by the court as in other certiorari cases, subject to the provisions hereof and to such rules as the court may prescribe for cases arising hereunder.

Sec. 3. Minnesota Statutes 1980, Section 272.02, Subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity except property assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;
- (7) All public property exclusively used for any public purpose;
- (8) All natural cheese held in storage for aging by the original Minnesota manufacturer;
- (9) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct such exemption from the total valuation of such property as equalized by the revenue commissioner assessed to such household, and extend the levy of taxes upon the remainder only. The term "household" as used in

this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in those cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds and certificates of indebtedness hereafter issued by the state of Minnesota, or by any county or city of the state, or any town; or any common or independent school district of the state, or any governmental board of the state, or any county or city thereof, shall hereafter be exempt from taxation; provided, that nothing herein contained shall be construed as exempting such bonds from the payment of a tax thereon, as provided for by section 291.01, when any of such bonds constitute, in whole or in part, any inheritance or bequest, taken or received by any person or corporation.

(10) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(11) The taxpayer shall be exempted with respect to, all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

(12) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by Extra Session Laws 1967, Chapter 32;

(13) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(14) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(15) Real and personal property used primarily for the abatement and control

of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. Any such equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(16) Wetlands. For purposes of this subdivision, "wetlands" means land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes. "Wetlands" shall be land preserved in its natural condition, drainage of which would be feasible and practical and would provide land suitable for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(17) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. *Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116.* Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

Sec. 4. Minnesota Statutes 1980, Section 272.025, Subdivision 3, is amended to read:

Subd. 3. ~~During each of the three years following the year in which a taxpayer files a statement of exemption, the requirements of this section shall not apply to property covered by the statement of exemption unless the property was listed and assessed as taxable property in the preceding year. Any taxpayer who has filed the statement required by subdivision 1 more than 12 months prior to February 1, 1983, or February 1 of each third year after 1983, shall file a statement by February 1, 1983, and by February 1 of each third year thereafter.~~

Sec. 5. Minnesota Statutes 1980, Section 272.46, is amended to read:

272.46 [AUDITOR TO FURNISH STATEMENT OF TAX LIENS AND TAX SALES; FEES; APPLICATION.]

The county auditor, upon written application of any person, shall make search of the records of his office, and ascertain the existence of all tax liens and tax sales as to any lands described in the application, and certify the result of such search under his hand and the seal of his office, giving the description of the land and all tax liens and tax sales shown by such records, and the amount thereof, the year of tax covered by such lien, the date of tax sale, and the name of the purchaser at such tax sale.

For such service the county auditor shall charge a fee ~~of \$1~~ not to exceed \$5 for each lot or tract of land described in the certificate. *The amount of the fee will be established by the county board on or before July 1 of each year.* Any number of contiguous tracts of land not exceeding one section, assessed as broad acres, or adjoining lots in the same block, in the city, shall be considered as one lot or parcel within the meaning of this section. The provisions of this section shall not apply to counties having a population of more than 225,000.

Sec. 6. Minnesota Statutes 1980, Section 272.47, is amended to read:

272.47 [COUNTY TREASURER, CERTIFICATE OF CURRENT TAXES; FEE.]

The county treasurer, upon written application of any person, shall make search of the tax duplicates and records of his office and ascertain the amount of current tax against any lot or parcel of land described in the application, and shall certify the result of such search under his hand and seal of office, giving the description of land, year of tax and amount, if any, and for such certificate he shall be entitled to charge the applicant ~~therefor the sum of \$1~~ a fee not to exceed \$5. *The amount of the fee will be established by the county board on or before July 1 of each year.* The definition of "lot or parcel," for the purposes of this section, shall be the same as set forth in section 272.46.

This section shall not authorize such treasurer to charge any amount for certifying to taxes on a deed to be recorded or for information with reference to the current tax on any subdivision of land in his county, where no certificate thereof is necessary or required. The provisions of this section shall not apply to counties having a population of more than 200,000.

Sec. 7. Minnesota Statutes 1980, Section 273.138, Subdivision 2, is amended to read:

Subd. 2. Each county government, city and township shall receive reimbursement in 1978 and subsequent years in an amount equal to the product of its total mill rate for taxes payable in the calendar year *prior to 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. 8. Minnesota Statutes 1980, Section 273.40, is amended to read:

273.40 [ANNUAL TAX ON COOPERATIVE ASSOCIATIONS.]

Cooperative associations organized under the provisions of Laws 1923,

Chapter 326, and laws amendatory thereof and laws supplemental thereto, and engaged in electrical heat, light or power business upon a mutual, non-profit, and cooperative plan in rural areas, as hereinafter defined, are hereby recognized as quasi-public in their nature and purposes; but such cooperative associations, which operate within the corporate limits of any city shall be assessed on the basis of ~~40~~ 43 percent of the market value of that portion of its property located within the corporate limits of any city as provided for in section 273.13.

Sec. 9. Minnesota Statutes 1980, Section 275.075, is amended to read:

275.075 [OMISSION BY INADVERTENCE; CORRECTION.]

Whenever the amount of taxes as levied and certified by the tax levying body of any county, city, town, or school district has not been, as the result of error ~~or~~, inadvertence, *or from the estimates as provided in section 10*, by the county auditor extended and spread in conformity therewith, such tax levying body may include in its tax levy for the year following, the whole or any part of the amount so omitted through error ~~or~~, inadvertence, *or from the estimates as provided in section 10*, in addition to its current levy and in addition to and notwithstanding any limitations to the contrary.

Sec. 10. Minnesota Statutes 1980, Section 275.08, is amended to read:

275.08 [AUDITOR TO FIX RATE.]

Subdivision 1. [GENERALLY.] The rate percent of all taxes, except the state tax and taxes the rate of which may be fixed by law, shall be calculated and fixed by the county auditor according to the limitations in this chapter hereinafter prescribed; provided, that if any county, city, town, or school district shall return a greater amount than the prescribed rates will raise, the auditor shall extend only such amount of tax as the limited rate will produce.

Subd. 2. [ESTIMATES.] If, by December 15 of any year, the county auditor has not received from another county auditor the mill rate or assessed value applicable to any taxing district lying in two or more counties, the county auditor who has not received the necessary information may levy taxes for the overlapping district by estimating the mill rate or the assessed value.

Subd. 3. [ASSISTANCE OF COUNTY AUDITOR.] A county auditor who has not furnished the mill rate or assessed value of property in the county by December 15 shall, on request, furnish the county auditor of a county in the overlapping district an estimate of the values or the mill rate. The auditor may request the assistance of the county assessor in determining the estimate.

Subd. 4. [SUBSEQUENT ADJUSTMENT.] After the correct mill rate or assessed value has been certified, the amount of taxes over or under levied shall be computed and notice sent to each affected taxing district. If the estimated tax levy exceeds the correct tax levy based on actual assessed value and mill rate, the county treasurer shall remit any amount of excess which he collects to the affected taxing district. In the following levy year, the estimating county auditor shall adjust the levy of the affected taxing district to compensate for the amount of variance.

In the event that the estimated tax levy is less than the correct tax levy based on actual assessed value and mill rate, the auditor shall adjust the levy of the affected taxing district as provided in section 275.075.

Sec. 11. Minnesota Statutes 1980, Section 276.01, is amended to read:

276.01 [DELIVERY OF LISTS TO TREASURER.]

On or before the first ~~Monday~~ *Monday business day* in January in 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. 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 market 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. 12. Minnesota Statutes 1980, Section 277.15, is amended to read:

277.15 [INTEREST.]

When a judgment has heretofore been entered and docketed, or shall hereafter be entered and docketed, for the recovery of taxes, except in the case of real estate tax judgments provided for in section 279.19, the same shall bear interest until paid at the rate of six percent per annum *until January 1, 1981, and at the rate determined under section 549.09 thereafter.*

Sec. 13. Minnesota Statutes 1980, Section 279.02, is amended to read:

279.02 [DUTIES OF COUNTY AUDITOR AND TREASURER.]

On the first ~~Monday~~ *Monday business day* in January, of each year, the county treasurer shall return the tax lists in his hands to the county auditor, who shall compare the same with the statements receipted for by the treasurer on file in the auditor's office and each tract or lot of real property against which the taxes, or any part thereof, remain unpaid, shall be deemed delinquent, and thereupon an additional penalty of two percent on the amount of the original tax remaining unpaid shall immediately accrue and thereafter be charged upon all such delinquent taxes; and any auditor who shall make out and deliver any statement of delinquent taxes without including therein the penalties imposed by law, and any treasurer who shall receive payment of such taxes without including in such payment all items as shown on the auditor's statement, shall be liable to the county for the amounts of any items omitted.

Sec. 14. Minnesota Statutes 1980, Section 279.03, is amended to read:

279.03 [INTEREST ON DELINQUENT REAL ESTATE TAXES.]

The rate of interest on delinquent real estate taxes levied in 1979 and prior years is fixed at six percent per annum. The rate of interest on delinquent real estate taxes levied in 1980 and subsequent years is ~~fixed at eight percent per annum~~ *shall be the rate determined pursuant to section 549.09.* All provisions of law providing for the calculation of interest at any different rate on delin-

quent taxes in any notice or proceeding in connection with the payment, collection, sale, or assignment of delinquent taxes, or redemption from such sale or assignment are hereby amended to correspond herewith. ~~In calculating such interest for any fractional part of a year, it shall be calculated on the basis of one-half of one percent for any month or major fraction thereof.~~

Such interest shall be calculated from the second Monday of May following the year in which the taxes became due, on the full amount of the taxes, penalties and costs accrued.

The provisions of this section shall not apply to any taxes which have heretofore been bid in by an actual purchaser at a May tax sale or which have heretofore been assigned.

Sec. 15. Minnesota Statutes 1980, Section 279.14, is amended to read:

279.14 [CONCLUSIVENESS OF JUDGMENT, JURISDICTIONAL DEFACTS.]

When the last publication shall have been made the notice shall be deemed to have been served and the court to have acquired full and complete jurisdiction to enforce against each parcel of land in such published list described in the taxes, accrued penalties, and costs upon it then delinquent, so as to bind every estate, right, title, interest, claim, or lien, in law or equity, in, to, or upon such parcel of land, of every person, company, or corporation. Such jurisdiction shall not be affected by any error in making the list filed with the clerk, nor by any error, irregularity, or omission in the assessment or levy of the taxes, or in any other proceedings, prior to filing the list; nor by any mistake in copying the list for publication, or in publishing the list, or in the designation of the newspaper wherein such list is published; ~~nor by reason of the failure of the publisher to give the bond required;~~ nor by reason of the taxes having been charged in any other name than that of the rightful owner; nor by any mistake in the amount of tax in such published list appearing against any piece or parcel of land therein described; provided, that any judgment rendered in such proceedings shall be void upon satisfactory proof made at any time that such real estate was exempt from taxation or that such taxes were paid before judgment was rendered.

Sec. 16. Minnesota Statutes 1980, 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 any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them

which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and (i) the property must have been classified as homestead property pursuant to section 273.13, subdivisions 6, 7, or 14a on or before June 1 of the year in which the "property taxes payable" were levied; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made prior to July 1 of the year in which the "property taxes payable" were payable.

Sec. 17. Minnesota Statutes 1980, Section 375.192, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding section 270.07, upon written application by the owner of the property, where such application seeks a reduction in ~~full and true valuation~~ *estimated market value* not in excess of ~~\$300~~ *\$2,000*, the county board may grant such reduction or abatement of ~~assessed~~ *estimated market* valuation or taxes and of any costs, penalties or interest thereon as said board may deem just and equitable and to order the refundment in whole or in part of any taxes, costs, penalties or interest thereon which have been erroneously or unjustly paid. Such application must be approved by the county assessor, or if the property is located in a city of the first class or city of the second class having a city assessor, by such assessor, and by the ~~county~~ *county* auditor prior to consideration by the county board. The methods of obtaining a reduction or abatement of ad valorem values contained in subdivisions 1 and 2 shall be in addition to the method provided in Minnesota Statutes 1965, Section 270.07.

Sec. 18. Minnesota Statutes 1980, Section 473.626, is amended to read:

473.626 [VALUATION AND ASSESSMENT OF TAXABLE PROPERTY IN DETACHED AREA.]

The ~~commissioner of revenue of the state of Minnesota~~ *county assessor of the county in which the property is situated* shall value and assess the taxable property in said area and shall report the same to the county auditor of the county in which such property is situated on or before October 1 of each year.

Sec. 19. [REPEALER.]

Minnesota Statutes 1980, Section 279.11, is repealed.

Sec. 20. [EFFECTIVE DATES.]

Sections 1, 2, 4, 5, 6, 15, 17, and 19 are effective July 1, 1981. Sections 3, 7, and 10 are effective for taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Sections 8, 11, and 13 are effective the day following final enactment. Section 9 is effective for taxes levied in 1982 and subsequent years, payable in 1983 and subsequent years. Sections 12 and 14 are effective January 1, 1981. Section 16 is effective for claims based on property taxes payable in 1982 and subsequent years. Section 18 is effective January 1, 1982.

INDIVIDUAL HOUSING ACCOUNTS

Section 1. Minnesota Statutes 1980, Section 48.159, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUAL HOUSING ACCOUNT TRUST POWERS.] Upon application to and approval by the commissioner, a commercial bank shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section ~~290.09~~ 290.08, subdivision ~~30~~ 25.

Sec. 2. Minnesota Statutes 1980, Section 50.157, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUAL HOUSING ACCOUNT TRUST POWERS.] Upon application to and approval by the commissioner, a savings bank shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section ~~290.09~~ 290.08, subdivision ~~30~~ 25.

Sec. 3. Minnesota Statutes 1980, Section 51A.21, Subdivision 16a, is amended to read:

Subd. 16a. [TRUSTEE OF INDIVIDUAL HOUSING ACCOUNTS.] Upon application to and approval by the commissioner, to act as trustee of individual housing accounts established pursuant to the provisions of section ~~290.09~~ 290.08, subdivision ~~30~~ 25.

Sec. 4. Minnesota Statutes 1980, Section 52.136, is amended to read:

52.136 [INDIVIDUAL HOUSING ACCOUNTS.]

Upon application to and approval by the commissioner of banks, a credit union shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section ~~290.09~~ 290.08, subdivision ~~30~~ 25.

Sec. 5. Minnesota Statutes 1980, 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 through December 31, 1979.

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, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of this chapter at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The provisions of section 4 of P.L. 95-458, and sections 131, 133, 134, 141, 152, 156, 157, and 405 of P.L. 95-600 (relating to pensions, individual retirement accounts, deferred compensation plans, and to the sale of a residence) shall be effective at the same time that these provisions became effective for federal income tax purposes.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

For taxable years beginning after December 31, 1980 and before January 1, 1983, the provisions of section 404 (relating to partial exclusions of dividends and interest received by individuals) of the Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223, shall apply.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) 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 the reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for the previous

taxable year.

The 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 each previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) 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 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (7) or under section 290.09, subdivision 24;

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(16) An amount equal to one-sixth of any gain from the sale or other disposition of property deducted under sections 1202(a) and 1202(c)(1) of the Internal Revenue Code of 1954;

(17) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property

having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 50 percent of the portion of the gain. This modification is limited to property that qualified for the energy credit contained in section 290.06, subdivision 14, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (9);

(18) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss; and

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under ~~clause (e) of section 290.09~~ 290.08, subdivision 30 25.

(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 50 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of the securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from the losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions

or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) 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 but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(10) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(11) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(12) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(13) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive

programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(15) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(16) To the extent included in federal adjusted gross income, severance pay that may be treated as a lump sum distribution under the provisions of section 290.032, subdivision 5;

(17) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17; ~~and~~

(18) Minnesota exempt-interest dividends as provided by subdivision 27; *and*

(19) *Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25.*

(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 the corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of 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 the corporation is liquidated or the individual shareholder disposes of the 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, the 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 the reserve is distributed to shareholders the 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 the amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that the amounts resulted in a reduction of the tax imposed by this 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, clause (2) in computing Minnesota inheritance or estate 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 the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 6. Minnesota Statutes 1980, Section 290.08, is amended by adding a subdivision to read:

Subd. 25. [INDIVIDUAL HOUSING ACCOUNTS.] (a) (1) Gross income shall not include the amount, up to a maximum of \$1,500, paid in cash during the taxable year by an individual taxpayer to an individual housing account established for his benefit together with all interest paid or accrued within the taxable year on the account. In the case of a married couple filing separate returns or filing separately on a combined return, the total amount excludible from gross income for contributions to an individual housing account during the taxable year may not exceed \$1,500. This total exclusion for a married couple may be taken by either spouse or divided between them as they elect. The amount of interest paid on any amount contributed in excess of \$1,500 during a taxable year or in excess of the maximum contribution permitted by paragraph (2) during all taxable years shall not be excluded from gross income.

(2) The amounts excludible from gross income for contributions to an individual housing account by an individual for all taxable years may not exceed \$10,000. In the case of a married individual, the \$10,000 amount shall be reduced by an amount equal to the sum of the contributions excluded from gross income pursuant to this subdivision for all taxable years by his spouse. In the case of a married couple, each of whom had established an individual housing account prior to the marriage, the combined limit on the amount excludible from gross income for all taxable years shall be the greater of \$10,000 or the amounts excluded from gross income for contributions to their accounts for taxable years ending before the day on which they were married.

(b) For purposes of this subdivision, the following terms have the meanings given.

(1) "Individual housing account" means a trust created or organized in Minnesota for the exclusive benefit of an individual, or, in the case of a married individual, for the exclusive benefit of the individual and his spouse jointly, but only if the written governing instrument creating the trust meets the following requirements:

(i) Contributions will not be accepted for the taxable year in excess of \$1,500 or in excess of \$10,000 for all taxable years, exclusive of interest paid or accrued.

(ii) The trustee is a financial institution, as defined in section 47.015, or a credit union, chartered or supervised under federal or state law, whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration or any agency of this state or any federal agency established for the purpose of insuring accounts in these financial institutions.

(iii) The assets of the trust shall be invested only in savings or time deposits in amounts fully insured as prescribed in paragraph (ii). Funds held in the trust may be commingled for purposes of investment, but individual records shall be maintained by the trustee for each individual housing account holder which show all transactions in detail.

(iv) The entire interest of an individual or married couple for whose benefit the trust is maintained will be distributed to him, or them, not later than 120 months after the date on which the first contribution is made to the trust.

(v) Except as provided in clause (d) in the case of a disability or death the trustee will distribute no part of the funds in the account unless it: (a) verifies that the money is to be used for a qualified purchase and provides that the instrument of payment is payable to the seller or his designee, construction contractor, or other vendor of the property purchased; or (b) withholds an amount equal to ten percent of the amount withdrawn from the account and remits this amount to the commissioner of revenue within ten days after the date of the withdrawal. The amount so withheld shall be applied to the liability of the taxpayer under clauses (c)(1) and (d).

Except as provided in clause (c), a trustee who fails to pay to or deposit with the commissioner any sum or sums required by this subdivision to be deducted, withheld and paid, shall be personally and individually liable to the state of Minnesota for such sum or sums. Failure to comply with the requirements of paragraph (v) shall be subject to the penalties and interest applicable to withholding tax violations under section 290.92, subdivision 15.

If the trustee, in violation of the provisions of this subdivision, fails to deduct and withhold the amounts required by this subdivision and thereafter the taxes against which any amount withheld may be credited are paid, the amounts required to be deducted and withheld shall not be collected from the trustee. Payment of the tax due under clauses (c)(1) and (d) shall not relieve the trustee from liability for any penalties and interest otherwise applicable in respect of its failure to deduct and withhold.

(2) "Residence" means all or part of a house, townhouse, condominium or

cooperative apartment used as the taxpayer's principal and permanent place of residence, but does not include a mobile home as defined in section 273.13, subdivision 3.

(3) *"Qualified purchase" means the purchase by a participant in an individual housing account of a principal residence, if (i) the participant has not had a present ownership interest in a principal residence; (ii) the residence to be purchased is located in Minnesota; and (iii) the purchase is made more than one year after the individual housing account was established. For purposes of this paragraph, "participant" means in the case of a married couple either spouse at the time of the purchase.*

(c) (1) *Any amount paid or distributed out of an individual housing account shall be included in gross income by the participant in the account for the taxable year in which the distribution is received, unless the amount is used exclusively in connection with a qualified purchase.*

(2) *Paragraph (1) shall not apply to a distribution out of an individual housing account to the extent that it was not excluded from gross income either as individual housing account contributions or interest.*

The transfer of an individual's interest in an individual housing account to his former spouse under a dissolution of marriage decree or under a written instrument incident to a dissolution of marriage is not to be considered a taxable transfer made by the individual and the interest, at the time of the transfer, is to be treated as an individual housing account of the transferee, and not of the transferor. After the transfer, the account is to be treated, for purposes of this subdivision, as maintained for the benefit of the spouse.

(3) *Payment out of an individual housing account pursuant to a good faith, written earnest money contract shall be treated as a qualified purchase for purposes of paragraph (1), either if the sale is completed or if the sale is not completed and the earnest money is forfeited. If an individual housing account distribution is paid pursuant to a good faith, written earnest money contract and is forfeited to the seller for failure to complete the sale, the taxpayer may elect to make and exclude from gross income additional contributions to the individual housing account equal to the amount of the distribution, subject to the annual limits applicable to the amounts excludible from gross income but notwithstanding the \$10,000 limit provided by clause (a). If an individual housing account distribution is paid pursuant to an earnest money contract, the sale is not completed, and the distribution is not forfeited to the seller, the amount of the distribution shall be repaid to the account.*

(4) *In the case of a married couple, any distribution includible in gross income pursuant to this clause shall be allocated equally to each spouse's income.*

(d) *If a distribution from an individual housing account to an individual for whose benefit the account was established is made and not used in connection with a qualified purchase, the tax liability of the individual under this chapter for the taxable year in which the distribution is received shall be increased by an amount equal to ten percent of the amount of the distribution which is includible in his gross income for the taxable year. The ten percent tax provided by this clause shall be in addition to the taxpayer's tax liability if calculated under section 290.06, subdivision 3d, and shall not be reduced by*

any credit pursuant to section 290.06, subdivisions 3e, 3f, 9, 9a, 11 or 14 or any other nonrefundable credit. If, during any taxable year, the individual uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual. No such liability shall be imposed if the payment or distribution is attributable to the taxpayer dying or becoming disabled as provided in section 290A.03, subdivision 10. An individual shall not be considered to be disabled unless he furnishes proof of the disability in the form and manner as the commissioner of revenue may require. Upon the death of an individual for whose benefit the account had been established, the funds in the account shall be payable to the estate of the individual, provided that, if the account was held jointly by the decedent and a spouse of the decedent, the account shall remain as the individual housing account of the surviving spouse. The ten percent tax provided by this clause shall not be imposed, if (1) the participant is unable to make a qualified purchase because he marries a person who has or had an ownership interest in a residence; and (2) no contributions or interest are excluded from gross income in a taxable year ending after the date of the marriage.

(e) No allocation of federal income tax paid on amounts excluded from gross income pursuant to this subdivision shall be required for purposes of the deduction of federal income tax paid under section 290.18, subdivision 2.

(f) The trustee of an individual housing account shall make reports regarding the account to the commissioner of revenue and to the individual for whom the account is maintained with respect to contributions, distributions, and other matters as the commissioner may require under rules. The reports required by this clause shall be filed at a time and in a manner as may be required by the rules. A person who fails to file a required report will be subject to a penalty of \$10 to be paid to the commissioner of revenue for each instance of failure to file.

This subdivision may be cited as the "Young Family Housing Act".

Sec. 7. Minnesota Statutes 1980, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state;

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs

within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state; income or gains from intangible personal property wherever held, whether in trust or otherwise shall be assigned to this state if the recipient of such income or gains is domiciled within this state, or if the grantor of any trust is domiciled within this state and such income or gains would be taxable to such grantor under section 290.28 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) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) In the case of a nonresident who is liable for payment of a penalty for having withdrawn funds from an individual housing account established pursuant to section ~~290.09~~ 290.08, subdivision ~~30~~ 25, the amount so withdrawn and for which a deduction was allowed shall be an item of income assignable to this state, and the penalty tax of ten percent shall remain an additional liability of that taxpayer.

(6) For purposes of this section, amounts received by a non-resident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408 or 409 of the Internal Revenue Code of 1954, as amended through December 31, 1979, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(7) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 8. [REPEALER.]

Minnesota Statutes 1980, Section 290.09, Subdivision 30, is repealed.

Sec. 9. [EFFECTIVE DATE.]

This article is effective for taxable years beginning after December 31, 1980.

ARTICLE X

MISCELLANEOUS

Section 1. [38.26] [PAYMENTS FOR CITY SERVICES.]

The board of managers of the society shall enter and make payments pursuant to a written agreement with the city council of any city within which the boundaries of the state fairgrounds are located. The agreement shall provide that the society will compensate the city for the cost of providing city services to occupants or users of the fairgrounds and any additional costs incurred by the city as a result of the use of the fairgrounds, including a reasonable amount for wear and tear on and demand for additional capital facilities. The board of managers and the city shall renegotiate the terms of the agreement at least once every two years.

Sec. 2. Minnesota Statutes 1980, Section 270.47, is amended to read:

270.47 [RULES.]

The board shall establish the rules necessary to accomplish the purpose of section 270.41, and shall establish criteria required of assessing officials in the state. Separate criteria may be established depending upon the responsibilities of the assessor. The board shall prepare and give examinations from time to time to determine whether assessing officials possess the necessary qualifications for performing the functions of his office. Such tests shall be given immediately upon completion of courses required by the board, or to persons who already possess the requisite qualifications under the regulations of the board. *Rules adopted by the board before July 1, 1981 to accomplish the purposes of sections 270.41 to 270.53, including those relating to licensure, are valid without compliance with the administrative procedure act.*

Sec. 3. [TRANSITION PROVISION.]

County assessors who are certified but not currently accredited shall be allowed until May 1, 1982, to achieve accreditation pursuant to the rules of the state board of assessors. Any county assessor who has not achieved accredita-

tion by May 1, 1982, shall be terminated and a vacancy shall exist in that office. Any requests for confirmation of appointment pending before the commissioner for county assessors not currently accredited may be provisionally approved.

Sec. 4. Minnesota Statutes 1980, Section 298.75, Subdivision 1, is amended to read:

Subdivision 1. A county may impose upon every person, firm, corporation or association, hereafter referred to as "operator," engaged in the business of removing gravel for sale from gravel pits or deposits, a production tax in an amount not to exceed ten cents per cubic yard of gravel removed. *For purposes of this section, gravel shall include sand and limestone.*

Sec. 5. Minnesota Statutes 1980, Section 298.75, Subdivision 2, is amended to read:

Subd. 2. ~~On October 1, 1980, and thereafter on~~ By the first 14th day following the last day of each calendar quarter in each county in which a tax is imposed pursuant to this section, every operator shall make and file with the county auditor of the county in which the gravel is removed, a correct report under oath, in such form and containing such information as the auditor shall require relative to the quantity of gravel removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.

Sec. 6. Minnesota Statutes 1980, Section 298.75, Subdivision 3, is amended to read:

Subd. 3. If any operator fails to make the report required by subdivision 2 or files an erroneous report, the county auditor shall, *on the fifth working day after the day the report became due*, determine the amount of tax due and notify the operator by registered mail of the amount of tax so determined. An operator may, within 30 days from the date of mailing the notice, file in the office of the county auditor a written statement of objections to the amount of taxes determined to be due. The statement of objections shall be deemed to be a petition within the meaning of chapter 278, and shall be governed by sections 278.02 to 278.13.

Sec. 7. Minnesota Statutes 1980, Section 340.621, is amended to read:

340.621 [INTOXICATING OR NONINTOXICATING LIQUOR; REGISTRATION OF BRAND BY OWNER.]

The label of any brand of *wine or* intoxicating or nonintoxicating malt beverage may be registered only by the brand owner or its authorized agent. No such brand may be imported for sale within the state without the consent of the brand owner or its authorized agent.

Nothing in this section shall be construed to repeal, limit or otherwise affect the provisions of section 340.114.

Sec. 8. Minnesota Statutes 1980, Section 422A.101, Subdivision 3, is amended to read:

Subd. 3. [STATE CONTRIBUTIONS.] The state shall pay to the Minneapolis municipal employees retirement fund annually an amount equal to the financial requirements of the basic program of the Minneapolis municipal

employees retirement fund reported by the actuary in the actuarial valuation of the fund prepared pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded liabilities by the year 2017 less the amount of employee contributions made pursuant to section 422A.10, and the amount of employer contributions made pursuant to subdivision 1, clauses (a), (b) and (c), and subdivision 2, clauses (a), (b) and (c). ~~Payments made pursuant to this subdivision shall be made at the same time and in the same manner as for payments made pursuant to section 477A.01, subdivision 4b shall be made in four equal installments on March 15, July 15, September 15, and November 15 annually.~~

Sec. 9. [NEW BRIGHTON; PROJECT; BONDS.]

Notwithstanding the provisions of Minnesota Statutes, Section 474.02, Subdivision 1b, the city of New Brighton may undertake a project consisting of properties, real or personal, used or useful, in connection with a revenue producing enterprise comprising a hotel or motel and may issue revenue bonds of the city to finance such project pursuant to Minnesota Statutes, Chapter 474, in an aggregate principal amount not to exceed \$10,000,000.

Sec. 10. 1981 regular session H.F. No. 1443, Section 377, as enacted, is amended to read:

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections ~~3.86~~; 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 363.073, Subdivisions 1 and 2; 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 11. [TAX STUDY COMMISSION REVIVED.]

Notwithstanding the provisions of Minnesota Statutes, Section 645.36, the law in Minnesota Statutes, Section 3.86, is revived.

Sec. 12. [APPROPRIATION.]

(a) The sum of \$60,000 is appropriated from the general fund to the tax study commission for the purpose of general operation of the commission including personnel costs. The sum is available to September 30, 1981.

(b) The sum of \$100,000 is appropriated from the general fund for the purpose of documenting and maintaining the commission's computer program services. The sum is available for the fiscal biennium ending June 30, 1983.

Sec. 13. 1981 regular session H.F. No. 1434, Section 5, Subdivision 6, as enacted, is amended to read:

Subd. 6. Board of Boxing and Wrestling	32,600	33,600
Approved Complement - 1		

Sec. 14. [REPEALER.]

1981 regular session H.F. No. 1434, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, and 99, as enacted, are repealed.

Sec. 15. [EFFECTIVE DATE.]

Sections 1, 2 to 4 and 8 are effective the day following final enactment. Section 9 is effective on the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of New Brighton. September 30, 1981.

Sections 13 and 14 are effective the day after final enactment. Notwithstanding Minnesota Statutes, Sections 645.26, 645.33, or other law, sections 13 and 14 prevail over H.F. No. 1434 regardless of their relative order of final enactment. Notwithstanding Minnesota Statutes, Section 645.34, or other law, the effect of section 14 is to maintain the law as it exists without the amendments repealed by that section."

Delete the title and insert:

"A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; imposing an income surtax; eliminating the deduction for tax paid on gasoline; limiting the medical expense deduction; providing for deduction of federal income tax on the accrual basis; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin to hold land for future development; increasing the rate of interest payable on delinquent taxes; rescheduling certain payment dates; limiting property tax refund payments to certain claimants; requiring declaration and estimated payments of gross earnings taxes by telephone and telegraph companies; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; establishing conditions for the special assessment of costs of operation, maintenance, or promotion of public improvements; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation;

clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; validating rules of the state board of assessors; providing for accrediting of certain assessors; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance a project located in the city of New Brighton; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds; amending Minnesota Statutes 1980, Sections 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.136, Subdivision 3; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d, 3g and by adding subdivisions; 290.067, Subdivision 2; 290.08, by adding a subdivision; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.17, Subdivision 2; 290.18, Subdivision 2 and by adding a subdivision; 290.37, Subdivision 3; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 297A.01, Subdivision 3; 297A.25, Subdivision 1; 298.75, Subdivisions 1, 2 and 3; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 429.031; 429.051; 429.061, Subdivision 1 and by adding subdivisions; 458.14; 473.626; 477A.03; 477A.04, Subdivision 2; and 477A.13; Laws 1975, Chapter 226, Section 4, as amended; and Laws 1980, Chapter 607, Article V, Section 5; proposing new law coded in Minnesota Statutes, Chapters 38; 273; 295; 297A; and 477A; repealing Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; and 477A.01."

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

House Conferees: (Signed) Irvin N. Anderson, John D. Tomlinson, Willis R. Eken, Steven G. Novak, Harry A. Sieben, Jr.

Senate Conferees: (Signed) Douglas J. Johnson, Marv Hanson, Collin C. Peterson, Linda Berglin, James C. Pehler

Mr. Johnson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1445 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. 1445 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 38 and nays 28, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Luther	Peterson, C. C.	Stern
Bertram	Humphrey	Menning	Petty	Stokowski
Dahl	Johnson	Merriam	Purfeerst	Tennessee
Davis	Knoll	Moe, D. M.	Schmitz	Vega
Dicklich	Kroening	Moe, R. D.	Setzpfandt	Wegener
Dieterich	Langseth	Nelson	Sikorski	Willet
Frank	Lantry	Pehler	Solon	
Hanson	Lessard	Penny	Spear	

Those who voted in the negative were:

Ashbach	Brataas	Keefe	Peterson, R. W.	Stumpf
Bang	Davies	Knutson	Pillsbury	Taylor
Belanger	Engler	Kronebusch	Ramstad	Ulland
Benson	Frederick	Lindgren	Renneke	Waldorf
Berg	Frederickson	Olhoft	Rued	
Bernhagen	Kamrath	Peterson, D. L.	Sieloff	

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 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. 775: A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

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

Samuelson; Anderson, R. and Clark, J.

Senate File No. 775 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 1154 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1154: A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

Senate File No. 1154 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 937 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 937: A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

Senate File No. 937 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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. 939 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 939: A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

Senate File No. 939 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

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 of the Senate and House of Representatives until 1982.

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

(1) Upon their adjournments on May 18, 1981, the House of Representatives may set its next day of meeting for January 12, 1982 at 12:00 noon and the Senate may set its next day of meeting for January 12, 1982 at 12:00 noon.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

MOTIONS AND RESOLUTIONS - CONTINUED

Mrs. Lantry moved that the name of Mr. Frederick be added as co-author to S. F. No. 713. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Dahl be added as co-author to S. F. No. 1431. The motion prevailed.

Ms. Berglin moved that the name of Mr. Petty be added as co-author to S. F. No. 1445. The motion prevailed.

Mr. Belanger moved that the name of Mr. Lessard be added as co-author to S. F. No. 1449. The motion prevailed.

Mr. Davis moved that the names of Messrs. Ashbach and Vega be added as co-authors to S. F. No. 1365. The motion prevailed.

Mr. Peterson, C. C. moved that the names of Messrs. Johnson and Pehler be added as co-authors to S. F. No. 1472. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1253 a Special Order to be heard immediately.

H. F. No. 1253: A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

Mr. Moe, R.D. moved to amend H. F. No. 1253, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1095.)

Page 2, line 2, after "*allocated*" insert "*annually*"

Page 2, after line 3, insert:

"If the appropriation is insufficient to fully fund each agency, the insufficiency shall be prorated annually among the agencies."

Page 2, line 7, delete "*determined*" and insert "*Determined*"

Page 2, line 8, delete "(1)"

Page 2, line 9, after "*to*" insert "*or more than*"

Page 2, line 13, delete "*program*" and insert "*agency*"

Page 2, line 14, before "*fiscal*" insert "*the previous*" and delete "*1980*"

Page 2, delete lines 15 to 36

Page 3, delete lines 1 and 2

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend H. F. No. 1253, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1095.)

Page 3, line 18, after "*governor*" insert:

"with the approval of a majority of the county boards in the area the agency intends to serve"

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:

Belanger	Bertram	Kamrath	Peterson, D.L.	Taylor
Benson	Engler	Keefe	Pillsbury	
Berg	Frederickson	Kronebusch	Ramstad	
Bernhagen	Humphrey	Lindgren	Renneke	

Those who voted in the negative were:

Berglin	Knoll	Moe, R. D.	Schmitz	Ulland
Chmielewski	Kroening	Nelson	Setzpfandt	Vega
Dahl	Langseth	Olhoft	Sikorski	Waldorf
Davies	Lantry	Pehler	Solon	Wegener
Davis	Lessard	Penny	Spear	Willet
Dicklich	Luther	Peterson, C.C.	Stern	
Dieterich	Menning	Peterson, R.W.	Stokowski	
Frank	Merriam	Petty	Stumpf	
Hughes	Moe, D. M.	Purfeerst	Tennessee	

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

Mr. Renneke then moved to amend H. F. No. 1253, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1095.)

Page 3, line 18, after *"governor"* insert:

"in conjunction with a majority of the county boards in the area the agency intends to serve"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Kronebusch	Pillsbury	Taylor
Bang	Frederickson	Lindgren	Ramstad	
Benson	Kamrath	Peterson, D.L.	Renneke	

Those who voted in the negative were:

Berglin	Hughes	Merriam	Purfeerst	Ulland
Bertram	Johnson	Moe, R. D.	Schmitz	Vega
Chmielewski	Knoll	Nelson	Setzpfandt	Waldorf
Dahl	Kroening	Olhoft	Sikorski	Wegener
Davies	Langseth	Pehler	Spear	Willet
Davis	Lantry	Penny	Stern	
Dicklich	Lessard	Peterson, C.C.	Stokowski	
Dieterich	Luther	Peterson, R.W.	Stumpf	
Frank	Menning	Petty	Tennessee	

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

Mr. Frederickson moved to amend H. F. No. 1253, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1095.)

Page 3, line 22, delete "One-third" and insert "One-half"

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	Berg	Frederickson	Lindgren	Ramstad
Bang	Bernhagen	Kamrath	Peterson, D.L.	Renneke
Benson	Frederick	Kronebusch	Pillsbury	

Those who voted in the negative were:

Bertram	Johnson	Moe, R. D.	Purfeerst	Tennessen
Chmielewski	Knoll	Nelson	Schmitz	Vega
Dahl	Lantry	Olhoft	Setzepfandt	Waldorf
Davies	Luther	Pehler	Sikorski	Wegener
Davis	Menning	Peterson, C.C.	Spear	Willet
Dieterich	Merriam	Peterson, R.W.	Stern	
Frank	Moe, D. M.	Petty	Stokowski	

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

Mr. Renneke moved to amend H. F. No. 1253, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1095.)

Page 6, line 33, after the period, insert "An agency administering a component of a community action program shall cooperate with public agencies having similar or related responsibilities in the community."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Bernhagen	Kamrath	Peterson, D.L.	Rued
Belanger	Engler	Kronebusch	Pillsbury	Taylor
Benson	Frederick	Lindgren	Ramstad	
Berg	Frederickson	Merriam	Renneke	

Those who voted in the negative were:

Berglin	Dieterich	Lantry	Olhoft	Sikorski
Bertram	Frank	Lessard	Pehler	Stern
Chmielewski	Hanson	Luther	Peterson, C.C.	Stokowski
Dahl	Humphrey	Menning	Peterson, R.W.	Tennessen
Davies	Knoll	Moe, D. M.	Petty	Vega
Davis	Kroening	Moe, R. D.	Purfeerst	Waldorf
Dicklich	Langseth	Nelson	Setzepfandt	Willet

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

H. F. No. 1253 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 8, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Peterson, R. W.	Stumpf
Bang	Frank	Lindgren	Petty	Taylor
Belanger	Hanson	Luther	Pillsbury	Tennessee
Berg	Hughes	Menning	Purfeerst	Ulland
Berglin	Humphrey	Merriam	Ramstad	Vega
Bertram	Johnson	Moe, D. M.	Schmitz	Waldorf
Chmielewski	Keefe	Moe, R. D.	Setzepfandt	Wegener
Dahl	Knoll	Nelson	Sikorski	Willet
Davies	Kroening	Olhoft	Solon	
Davis	Kronebusch	Pehler	Spear	
Dicklich	Langseth	Penny	Stern	
Dieterich	Lantry	Peterson, C. C.	Stokowski	

Those who voted in the negative were:

Benson	Frederick	Kamrath	Renneke	Rued
Bernhagen	Frederickson	Peterson, D. L.		

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 537 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 537

A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 537, 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. 537 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 169.81, Subdivision 3, is amended to read:

Subd. 3. [LENGTH OF COMBINATIONS AND SEMITRAILERS AND TRUCK-TRACTORS.] (a) No combination of vehicles coupled together unladen or with load, including truck-tractor and semitrailers, shall consist of more than two units unless the combination consists of a truck-tractor and semitrailer drawing one additional semitrailer equipped with an auxiliary dolly, and no combination of vehicles shall exceed a total length of 60 feet. The limitation shall not apply to the transportation of telegraph poles, telephone poles, electric light and power poles, piling, or pole length pulpwood, and is

subject to the following further exceptions: The length limitations shall not apply to vehicles when transporting pipe, or other objects by a public utility when required for emergency or repair of public service facilities or when operated under special permits as provided in this subdivision, but with respect to night transportation a vehicle and the load shall be equipped with a sufficient number of clearance lamps and marker lamps on both sides and upon the extreme ends of a projecting load to clearly mark the dimensions of the load. Mount combinations may be drawn but the combinations may not exceed 60 65 feet in length. The limitation on the number of units shall not apply to vehicles used for transporting milk from point of production to point of first processing, in which case no combination of vehicles coupled together unladen or with load, including truck-tractor and semitrailers, shall consist of more than three units and no combination of those vehicles shall exceed a total length of 60 feet. For the purpose of registration, trailers coupled with a truck-tractor, semitrailer combination shall be considered the same as semitrailers. The state, as to state trunk highways, and a city or town, as to roads or streets located within the city or town, may issue permits authorizing the transportation of combinations of vehicles exceeding the limitations in this subdivision over highways, roads or streets within their boundaries. Combinations of vehicles authorized by this subdivision may be restricted as to the use of highways by the commissioner, as to state trunk highways, and a road authority, as to highways or streets subject to its jurisdiction. Nothing in this subdivision shall be deemed to alter or change the authority vested in local authorities under the provisions of section 169.04. This subdivision shall not apply to the operation of combinations of vehicles subject to the provisions of section 169.861.

(b) No single semitrailer or trailer shall have an overall length, exclusive of rear protective bumpers which do not increase the overall length by more than six inches and further exclusive of accessory equipment mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, in excess of 45 feet, except for those semitrailers governed by subdivisions 3a, 3b and 7. For purposes of determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer shall be determined separate from the overall length of the combination of vehicles.

Sec. 2. Minnesota Statutes 1980, Section 169.86, Subdivision 5, is amended to read:

Subd. 5. [FEES.] ~~To cover administrative costs in issuing such permits, The commissioner, with respect to highways under his jurisdiction, may charge a fee of \$5 for each such permit issued, except a seasonal transportation permit to contractors who move their own construction machinery and equipment for their own use, the fee for which seasonal permit shall be \$25. An annual permit may be issued for refuse compactor vehicles which will permit up to but not in excess of 22,000 pounds on a single rear axle and not in excess of 38,000 pounds on a tandem rear axle. The fee for this annual permit shall be \$50. All such fees for permits issued by the commissioner of transportation shall be deposited in the state treasury and credited to the trunk highway fund. Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees shall be:~~

(a) \$12 for each single trip permit.

(b) \$12 for each job permit. A job permit may be issued for like loads carried

on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight and dimension.

(c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) truck cranes;

(2) construction equipment, machinery, and supplies;

(3) mobile homes;

(4) farm equipment when the movement is not made according to the provisions of section 169.80, subdivision 1, clauses (a) to (f).

(5) refuse compactor vehicles that carry a gross weight up to but not in excess of 22,000 pounds on a single rear axle and not in excess of 38,000 pounds on a tandem rear axle;

(6) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(7) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a.

Sec. 3. [HIGHWAY POLICY STUDY COMMISSION.]

Subdivision 1. There is hereby created an interim commission to study the contracting of trunk highway maintenance by counties, and the collection of highway user taxes from out-of-state vehicles.

The study of county maintenance is to include:

(a) historical and projected department of transportation expenditures including administrative, operating and capital expenditures for trunk highway maintenance, maintenance preservation, and associated activities;

(b) the experience of other states and Minnesota in contracting with governmental subdivisions for highway maintenance and associated activities; and a review of existing procedures for contracts between the department of transportation and local governments;

(c) consideration of alternatives which contemplate contracting with all counties, groups of counties, or several specific counties to perform maintenance functions on trunk highways;

(d) identification of the costs and benefits in each alternative to the state and to the pertinent counties, including the costs and benefits associated with operating, administrative, equipment, and capital expenditures;

(e) consideration of personnel issues, including but not limited to the transfer of affected state employees to county employment, and any effect on compensation and pensions;

(f) consideration of tort liability issues and how they might be addressed;

(g) any other pertinent matters.

The study of the collection of highway user taxes from motor vehicles registered in other states is to include:

(a) overview of the origination, routes, weight, and destination of truck

shipments;

(b) current and alternative mechanisms to collect user revenues from out-of-state trucks, including reciprocity agreements for licenses and fuel;

(c) cost-effectiveness of alternative administrative and legislative methods to collect user revenues from out-of-state trucks;

(d) any other pertinent matters.

Subd. 2. The interim commission shall consist of seven members of the senate appointed by the subcommittee on committees of the committee on rules and administration of the senate and seven members of the house of representatives appointed by the speaker of the house. Payment of the expenses of the interim commission, including reimbursement for the expenses of the members shall be made pursuant to the rules of the legislature. Expenses of the commission shall be approved by the chairman and the expenses shall be paid in the same manner as other state expenses are paid. The commission shall select a chairman and other officers from its membership.

Subd. 3. The interim commission may request information and staff assistance from any state officer or agency to assist it in carrying out its duties, and such information and staff assistance shall be promptly furnished to the extent permitted by law.

Subd. 4. The interim commission shall exist and act from the date its members are appointed. The commission shall file a report with the legislature by February 1, 1982, and shall be terminated upon that date.

Sec. 4. Minnesota Statutes 1980, Section 169.861, is amended to read:

169.861 [PERMITS FOR OPERATION OF CERTAIN COMBINATIONS; FEES.]

~~Subdivision 1. [APPLICATIONS.] The commissioner shall issue an annual permit to enable~~ A combination of vehicles consisting of a truck and semitrailer or a truck-tractor and semitrailer drawing one additional semitrailer equipped with an auxiliary dolly between 55 and 65 feet in length ~~to may~~ operate on the public highways. ~~The permit shall entitle the combination of vehicles to operate~~ only on divided highways having four or more lanes of travel, and on such other highways as may be designated by the commissioner of transportation subject to section 169.87, subdivision 1, and subject to the approval of the authority having jurisdiction over such highway, for the purpose of providing access between such divided highways of four or more lanes of travel and truck terminals and marshalling yards or for the purpose of providing continuity of route. All vehicles operated under the provisions of this section shall conform to the standards for such vehicles as prescribed by the United States Department of Transportation, Federal Highway Administration, Bureau of Motor Carrier Safety, and as may be amended.

~~Subd. 2. [DISPLAY.] The permit issued under this section shall at all times be carried in or upon the vehicle supplying the mode of power for the combination of vehicles for which it has been issued.~~

~~Subd. 3. [FEES.] The commissioner is authorized to charge a fee of \$75 for such annual permit for each combination exceeding 55 but not more than 60 feet in length; and \$200 for each combination exceeding 60 but not more than~~

65 feet in length. All such fees for permits issued by the commissioner shall be deposited in the state treasury and credited to the highway user tax distribution fund. This fee may be prorated in the same manner as registration fees are prorated pursuant to section 168.187. For those vehicles not covered by section 168.187 or reciprocal agreements pursuant to section 168.181, a trip fee of \$10 for combinations exceeding 55 but not more than 60 feet in length and \$20 for combinations exceeding 60 but not more than 65 feet in length may be charged."

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; creating a legislative study commission; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5; and 169.861."

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

Senate Conferees: (Signed) Clarence M. Purfeerst, William V. Belanger, Jr., Robert J. Schmitz

House Conferees: (Signed) Lyle G. Mehrkens, George C. Dahlvang, Lawrence J. Pogemiller

Mr. Purfeerst moved that the foregoing recommendations and Conference Committee Report on S. F. No. 537 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. 537 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 9, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Lantry	Peterson, C. C.	Sikorski
Bang	Hanson	Lessard	Peterson, R. W.	Solon
Belanger	Hughes	Luther	Petty	Stern
Bernhagen	Humphrey	Menning	Pillsbury	Stokowski
Bertram	Johnson	Merriam	Purfeerst	Taylor
Chmielewski	Kamrath	Moe, R. D.	Ramstad	Vega
Dahl	Knoll	Nelson	Renneke	Waldorf
Davis	Kroening	Olhoff	Rued	Wegener
Engler	Kronebusch	Pehler	Schmitz	Willet
Frank	Langseth	Penny	Setzpfandt	

Those who voted in the negative were:

Berglin	Dieterich	Moe, D. M.	Spear	Tennessee
Davies	Frederickson	Sieloff	Stumpf	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 636 a Special Order to be heard immediately.

H. F. No. 636: A bill for an act relating to unemployment compensation; clarifying the provisions extending the base period in cases of the receipt of certain workers' compensation benefits; providing that holiday pay not be deducted from benefits; amending Minnesota Statutes 1980, Sections 268.04, Subdivision 2; and 268.07, Subdivision 2.

Mr. Peterson, C. C. moved to amend H.F. No. 636, as amended pursuant to Rule 49, adopted by the Senate May 5, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 764)

Page 3, after line 13, insert:

“Sec. 3. [UNEMPLOYMENT COMPENSATION CONTRIBUTION; TEMPORARY ALTERING.]

Notwithstanding Minnesota Statutes, Section 268.06⁹, during calendar year 1982 the unemployment compensation employer contribution rate shall be modified in the following manner:

(a) *The minimum rate shall be seven-tenths of one percent;*

(b) *The experience ratio shall be 1-1/4 multiplied by the lesser of the experience ratio determined pursuant to Minnesota Statutes, Section 268.06, Subdivision 6, or the experience ratio used in 1981 plus 1-1/2 percent;*

(c) *The provision of Minnesota Statutes, Section 268.06, Subdivision 8, which limits the increase in an employer's contribution rate to 1-1/2 percent is suspended during 1982; and*

(d) *The maximum rate shall be 8.8 percent.*

If all money borrowed from the federal government for use in the unemployment compensation fund has been repaid by November 1, 1982, each employer whose unemployment compensation tax was increased due to this act shall receive a credit against its future unemployment compensation taxes equal to that increase.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after “benefits;” insert “temporarily modifying the employer contribution rates;”

The motion prevailed. So the amendment was adopted.

Mr. Peterson, C.C. then moved to amend H. F. No. 636, as amended pursuant to Rule 49, adopted by the Senate May 5, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 764.)

Page 1, after line 9, insert:

Sec. 1. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 6f. If a petition submitted to the commissioner by the association pursuant to subdivision 1 requests an increase in the schedule of rates, then at the time of the filing of the petition, the association shall multiply the amount of the requested rate increase by the total direct premiums written by its members for workers' compensation insurance in Minnesota during the preceding calendar year as reflected in the most recent annual statement filed by its members pursuant to section 60A.13, subdivision 1.

Sec. 2. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 6g. The association shall deposit into a special account in the office of the commissioner of insurance a sum of not less than one percent of the amount calculated pursuant to subdivision 6f. The money in the account shall be allocated as follows:

(a) 50 percent shall be for the use of the commissioner of insurance for payments authorized in subdivision 6.

(b) 25 percent shall be for the use of a representative of business selected pursuant to subdivision 6h.

(c) 25 percent shall be for use of a representative of labor selected pursuant to subdivision 6h.

Sec. 3. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 6h. Within five days following a determination by the commissioner that a petition requesting a hearing for a change in the schedule of rates has been accepted, the commissioner shall convene a meeting of the commissioner and the chairpersons of the senate employment committee and the house of representatives labor management relations committee. They shall, by majority vote, select one representative of business and one representative of labor to formally intervene in the hearing held pursuant to the petition if the commissioner orders the hearing. The representative of business shall be selected on the basis of extent of membership, its representation of both large and small employers, statewide representation of membership, representation of members in the aggregate with payrolls representing at least 50 percent of the job classifications for which Minnesota data was reported in the preceding calendar year as contained in the workers' compensation and employers liability insurance manual, its demonstrated interest in Minnesota workers' compensation insurance legislation and rates and its willingness and ability to participate actively and effectively in the hearing process.

The representative of labor shall be selected on the basis of extent of membership, statewide representation of membership, demonstrated interest in workers' compensation legislation and insurance rates, the variety of trades represented by its membership, and its willingness and ability to participate actively and effectively in the hearing process. The intervenors shall have their reasonable costs of intervention in the hearing paid from the fund established pursuant to subdivision 6g.

The reasonable costs of intervenors shall include attorneys' fees, costs of the office of hearing examiner, expert witness fees, consultant fees, and costs and disbursements. The commissioner of insurance shall authorize payments from

the fund when presented with statements of reasonable costs submitted to him by other intervenors in the form he may prescribe. All money not disbursed to intervenors, together with investment income earned thereon, shall be refunded to the association after the hearing, and all subsequent judicial actions, if any, have been completed.

Sec. 4. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 6i. If a petition for a change in the schedule of rates does not result in an increase in the manual premiums or if the increase is so small as to not cover the reasonable costs of the office of hearing examiner, the association shall deposit into the special fund established in subdivision 6g, an amount adequate to pay the reasonable costs of the hearing.

Sec. 5. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 6j. There is appropriated to the commissioner of insurance from the special account established in subdivision 6g, a sum sufficient to make the payments authorized in subdivision 6h.

Sec. 6. [REPEALER.]

Minnesota Statutes 1980, Section 79.071, Subdivisions 6a, 6b, 6c, 6d and 6e are repealed."

Page 3, after line 14, insert:

"Sections 1 to 6 are effective on the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, delete "unemployment compensation;" and insert "employment; creating a fund to meet the expenses of intervenors in workers' compensation rate hearings; appropriating money;"

Page 1, line 6, after "Sections" insert "79.071, by adding subdivisions;"

Page 1, line 7, before the period, insert "; repealing Minnesota Statutes 1980, Section 79.071, Subdivisions 6a, 6b, 6c, 6d and 6e"

Mrs. Brataas questioned the germaneness of the second Peterson, C.C. amendment.

The President ruled the amendment was germane.

CALL OF THE SENATE

Mr. Peterson, C.C. imposed a call of the Senate for the proceedings on H. F. No. 636. The Sergeant at Arms was instructed to bring in the absent members.

Mr. Taylor moved to amend the Peterson C.C. amendment to H. F. No. 636, as follows:

Page 1, delete lines 25 and 26

Page 1, line 27, delete "(b) 25" and insert "(a) 75"

Page 1, line 29, delete "(c)" and insert "(b)"

The question was taken on the adoption of the amendment to the amendment.

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

The question was taken on the adoption of the Waldorf motion.

The roll was called, and there were yeas 39 and nays 19, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Menning	Peterson, C.C.	Stern
Chmielewski	Humphrey	Merriam	Peterson, R.W.	Stokowski
Davies	Johnson	Moe, D.M.	Petty	Tennessee
Davis	Knoll	Moe, R.D.	Purfeerst	Vega
Dicklich	Langseth	Nelson	Schmitz	Waldorf
Dieterich	Lantry	Olhoft	Setzepfandt	Wegener
Frank	Lessard	Pehler	Solon	Willet
Hanson	Luther	Penny	Spear	

Those who voted in the negative were:

Ashbach	Brataas	Knutson	Pillsbury	Sieloff
Bang	Engler	Kronebusch	Ramstad	Taylor
Benson	Frederick	Lindgren	Renneke	Ulland
Bernhagen	Frederickson	Peterson, D.L.	Rued	

The motion prevailed.

The roll was called on the Taylor amendment to the Peterson, C.C. amendment, and there were yeas 20 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Berg	Frederick	Kronebusch	Renneke
Bang	Bernhagen	Frederickson	Peterson, D.L.	Rued
Belanger	Brataas	Kamrath	Pillsbury	Sieloff
Benson	Engler	Knutson	Ramstad	Taylor

Those who voted in the negative were:

Berglin	Hanson	Lindgren	Penny	Spear
Bertram	Hughes	Luther	Peterson, C.C.	Stern
Chmielewski	Humphrey	Menning	Peterson, R.W.	Stokowski
Dahl	Johnson	Merriam	Petty	Tennessee
Davies	Knoll	Moe, D.M.	Purfeerst	Ulland
Davis	Kroening	Moe, R.D.	Schmitz	Vega
Dicklich	Langseth	Nelson	Setzepfandt	Waldorf
Dieterich	Lantry	Olhoft	Sikorski	Wegener
Frank	Lessard	Pehler	Solon	Willet

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

The question recurred on the Peterson, C.C. amendment.

Mr. Moe, R.D. moved that those not voting be excused from voting.

The question was taken on the adoption of the Moe, R.D. motion.

The roll was called, and there were yeas 43 and nays 23, as follows:

Those who voted in the affirmative were:

Berglin	Hughes	Menning	Peterson, R.W.	Stokowski
Chmielewski	Humphrey	Merriam	Petty	Stumpf
Dahl	Johnson	Moe, D.M.	Purfeerst	Tennessee
Davies	Knoll	Moe, R.D.	Schmitz	Vega
Davis	Kroening	Nelson	Setzepfandt	Waldorf
Dicklich	Langseth	Olhoft	Sikorski	Wegener
Dieterich	Lantry	Pehler	Solon	Willet
Frank	Lessard	Penny	Spear	
Hanson	Luther	Peterson, C.C.	Stern	

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Peterson, D.L.	Sieloff
Bang	Bertram	Kamrath	Pillsbury	Taylor
Belanger	Brataas	Knutson	Ramstad	Ulland
Benson	Engler	Kronebusch	Renneke	
Berg	Frederick	Lindgren	Rued	

The motion prevailed.

The roll was called on the Peterson, C.C. amendment, and there were yeas 40 and nays 25, as follows:

Those who voted in the affirmative were:

Berglin	Hanson	Lessard	Pehler	Sikorski
Chmielewski	Hughes	Luther	Penny	Spear
Dahl	Humphrey	Menning	Peterson, C.C.	Stokowski
Davies	Johnson	Merriam	Peterson, R.W.	Tennessee
Davis	Knoll	Moe, D.M.	Petty	Vega
Dicklich	Kroening	Moe, R.D.	Purfeerst	Waldorf
Dieterich	Langseth	Nelson	Schmitz	Wegener
Frank	Lantry	Olhoft	Setzepfandt	Willet

Those who voted in the negative were:

Ashbach	Bernhagen	Frederickson	Peterson, D.L.	Sieloff
Bang	Bertram	Kamrath	Pillsbury	Solon
Belanger	Brataas	Knutson	Ramstad	Stern
Benson	Engler	Kronebusch	Renneke	Taylor
Berg	Frederick	Lindgren	Rued	Ulland

The motion prevailed. So the amendment was adopted.

Mr. Chmielewski moved to amend H.F. No. 636, as amended pursuant to Rule 49, adopted by the Senate May 5, 1981, as follows:

(The text of the amended House File is identical to S.F. No. 764.)

Page 1, after line 9, insert:

"Section. 1. Minnesota Statutes 1980, Section 15.1691, Subdivision 2, is amended to read:

Subd. 2. [GENERAL.] Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- Pursuant to section 15.163;
- Pursuant to a valid court order;
- Pursuant to a statute specifically authorizing access to the private data;
- To an agent of the welfare system, including appropriate law enforce-

ment personnel, who are acting in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;

(e) To personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

(f) To administer federal funds or programs; or

(g) Between personnel of the welfare system working in the same program;
or

(h) Information on the amounts of cash public assistance and relief paid to welfare recipients in this state, which is requested by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the low income alternative tax."

Page 3, after line 13, insert:

"Sec. 4. Minnesota Statutes 1980, Section 268.12, Subdivision 12, is amended to read:

Subd. 12. [DATA.] Except as hereinafter otherwise provided, information obtained data gathered from any employing unit, employer or individual pursuant to the administration of sections 268.03 to 268.24, and from any determination as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant or other interested party (or his legal representative) shall be supplied with information from the records of the department of economic security, to the extent necessary for the proper presentation of his claim, contention or refutation of any claim in which he is an interested party in any proceeding under these sections with respect thereto. Subject to such restrictions as the commissioner may by regulation prescribe, such information may be made available to any agency of this or any other state, or any federal agency charged with the administration of an employment and security law or the maintenance of a system of public employment offices, any agency of this state which is required by law to provide statistical information to the bureau of labor statistics of the United States department of labor, any local human rights department within the state which has enforcement powers, or the Bureau of Internal Revenue of the United States Department of the Treasury, and information obtained in connection with administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request therefor, the commissioner shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, or any local human rights department within the state which has enforcement powers, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under these sections. The commissioner may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of these sections, and may in connection with such request, transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(e) of the federal internal

revenue code.

All letters, reports, communications, or any other matters, either oral or written, from an employer or his workers to each other or to the commissioner or any of his agents, representatives, or employees, which shall have been written or made in connection with the requirements and administration of sections 268.03 to 268.24 or the regulations thereunder, shall be absolutely privileged and shall not be made subject matter or basis for any suit for slander or libel in any court of this state private data on individuals or nonpublic data not on individuals as defined in section 15.162, subdivisions 5a and 5c and shall not be disclosed except pursuant to this subdivision or pursuant to a valid court order. Data may be used and disseminated without the consent of the subject of the data by:

(a) State and federal agencies specifically authorized access to the data by state or federal law;

(b) Local human rights groups within the state which have enforcement powers;

(c) The Minnesota department of revenue on an interchangeable basis with the department of economic security;

(d) Public and private agencies responsible for administering publicly financed assistance programs for the purpose of monitoring the eligibility of the program's recipients;

(e) The department of labor and industry for the purpose of determining the eligibility of the data subject;

(f) Local and state welfare agencies for monitoring the eligibility of the data subject for assistance programs; and

(g) Local, state and federal law enforcement agencies for the sole purpose of ascertaining the last known address and employment location of the data subject, provided the data subject is the subject of a criminal investigation.

Data on individuals, employers, and employing units which are collected, maintained, or used by the department in an investigation pursuant to section 268.18, subdivision 3 are confidential as to data on individuals and protected nonpublic data as defined in section 15.162, subdivisions 2a and 5d as to nonindividual employers and employing units, and shall not be disclosed except pursuant to statute or valid court order or to a party named in a criminal proceeding, administrative or judicial, for preparation of a defense.

Data on individuals, employers, and employing units which are collected, maintained, or used by the department in the adjudication of a separation or eligibility issue pursuant to the administration of section 268.10, subdivision 2 are confidential as to data on individuals and protected nonpublic as to nonindividual employers and employing units as defined in section 15.162, subdivisions 2a and 5d and shall not be disclosed except pursuant to the administration of section 268.10, subdivisions 3 to 8 or pursuant to a valid court order.

Aggregate information about employers compiled from individual job orders placed with the department shall be nonpublic data pursuant to section 15.162, subdivision 5c, if the commissioner determines that divulging the

information would be likely to result in the disclosure of the identity of any employer.

Data gathered by the department pursuant to the administration of sections 268.03 to 268.24 shall not be made the subject matter or the basis for any suit in any civil proceedings, administrative or judicial.

Sec. 5. Minnesota Statutes 1980, Section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.]

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

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

In order to locate the named payee on state warrants issued pursuant to this chapter or chapter 290A and undeliverable by the United States postal service,

the commissioner may publish in any English language newspaper of general circulation in this state a list of the name and last known address of the payee as shown on the reports or returns filed with the commissioner. The commissioner may exclude the names of payees whose refunds are in an amount which is less than a minimal amount to be determined by the commissioner. The published list shall not contain any particulars set forth on any report or return. The publication shall include instructions on claiming the warrants."

Page 3, before line 15, insert "*Sections 1, 4, and 5 are effective the day following final enactment.*"

Page 3, line 15, delete the first "1" and insert "2"

Page 3, line 17, delete "2" and insert "3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "unemployment compensation" and insert "state government"

Page 1, line 6, after the semicolon, insert "providing for the classification and disclosure of certain data;"

Page 1, line 6, after "Sections" insert "15.1691, Subdivision 2;"

Page 1, line 7, delete "and" and before the period, insert "; 268.12, Subdivision 12; and 290.61"

The question was taken on the adoption of the amendment.

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

The question was taken on the adoption of the Ulland motion.

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

Those who voted in the affirmative were:

Berg	Frederick	Lantry	Peterson, C.C.	Stokowski
Berglin	Frederickson	Lessard	Peterson, D.L.	Stumpf
Bernhagen	Hanson	Lindgren	Peterson, R.W.	Taylor
Bertram	Hughes	Luther	Petty	Tennessee
Chmielewski	Humphrey	Menning	Purfeerst	Vega
Dahl	Johnson	Merriam	Schmitz	Waldorf
Davies	Kamrath	Moe, D.M.	Setzepfandt	Wegener
Davis	Knoll	Moe, R.D.	Sieloff	Willet
Dicklich	Knutson	Nelson	Sikorski	
Dieterich	Kroening	Othoft	Solon	
Engler	Kronebusch	Pehler	Spear	
Frank	Langseth	Penny	Stern	

Those who voted in the negative were:

Ashbach	Belanger	Pillsbury	Rued	Ulland
Bang	Benson	Renneke		

The motion prevailed.

The roll was called on the Chmielewski amendment, and there were yeas 50 and nays 15, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Knoll	Nelson	Renneke
Bang	Dieterich	Knutson	Olhoft	Rued
Belanger	Engler	Kroening	Pehler	Schmitz
Benson	Frederick	Kronebusch	Penny	Setzepfandt
Berg	Frederickson	Langseth	Peterson, C. C.	Sieloff
Bernhagen	Hanson	Lessard	Peterson, D. L.	Sikorski
Bertram	Hughes	Lindgren	Petty	Taylor
Brataas	Humphrey	Luther	Pillsbury	Waldorf
Chmielewski	Johnson	Menning	Purfeerst	Wegener
Dahl	Kamrath	Moe, R. D.	Ramstad	Willet

Those who voted in the negative were:

Berglin	Frank	Moe, D. M.	Spear	Stumpf
Davies	Lantry	Peterson, R. W.	Stern	Tennessee
Dicklich	Merriam	Solon	Stokowski	Vega

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved that H. F. No. 636 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Tennesen moved that H. F. No. 1139 be recalled from the House for further consideration. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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 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.

House File No. 1475 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1475

A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

May 18, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1475, 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. 1475 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [PUBLIC LAND AND BUILDINGS; APPROPRIATIONS.] The sums set forth in the column designated “APPROPRIATIONS” are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

SUMMARY

ADMINISTRATION	\$ 8,614,900
NATURAL RESOURCES	2,769,000
TRANSPORTATION	101,942,000
MINNESOTA HISTORICAL SOCIETY	700,000
VETERANS AFFAIRS	261,000
ECONOMIC DEVELOPMENT	2,500,000
BOND SALE EXPENSES	116,300
TOTAL	\$116,903,200
Game and Fish Fund	195,000
Trunk Highway Fund	4,093,200
Transportation Fund	98,000,000
Building Fund	14,615,000

APPROPRIATIONS

Sec. 2. [ADMINISTRATION.]

To the commissioner of administration for the purposes specified in this section

\$ 8,614,900

(a) Replace capitol dock and outside freight elevator	\$ 177,000
(b) Screen and light Ford building parking lot C and continue grounds improvements	56,000
(c) Construct pedestrian and utility tunnel to the Ford building	750,400
(d) Construct pedestrian and utility tunnel to Veterans Service building	1,232,000
(e) Construct connecting tunnel to link the Historical Society building with the Mechanic Arts School building with the gymnasium wing of the Mechanic Arts School building	448,000
(f) Repair Historical Society building rain gutters	54,000
(g) Fergus Falls State Hospital Power Plant Conversion	2,700,000

This appropriation is for the construction of a facility to incinerate solid waste and to produce heat in the form of steam for use at the Fergus Falls state hospital. Solid waste generated in the Fergus Falls area now disposed of in landfill may be incinerated in the facility.

The commissioner of administration may prepare construction documents for bidding purposes but shall not award construction contracts for the incineration facility at the Fergus Falls state hospital until he has obtained the written agreement of the city of Fergus Falls to pay to the state the principal amount of the bonds sold to finance this appropriation, less the portion of the cost attributable to the removal of the old ash handling equipment, not to exceed \$350,000, plus interest at the rate at which the bonds were sold, and to pay all reasonable operating, maintenance, and repair costs of this power plant, as set forth in the agreement. The agreement shall obligate the city of Fergus Falls to levy each year an amount not less than the principal and interest due and to become due on the bonds through July 1 in the third ensuing year, plus the estimated operating, maintenance, and repair costs of the power plant for that period, less the amount then on hand in the Fergus Falls power plant account and also less an amount equal to the market value of the energy savings accruing to the state through July 1 in the third ensuing year due to the construction of the power plant, including any payments received by the state from the federal government for utilizing alternative energy sources attributable to the solid waste incinerator. The levy does not require approval by the electors of the city of Fergus Falls under section 475.58. The agreement with the city shall not be executed by the commissioner until it has been reviewed by the chairman of the house appropriations committee and the chairman of the senate finance committee and received their recommendations on it. The recommendations are advisory only.

The agreement shall also obligate the city of Fergus Falls to deliver solid waste to the facility, to remove incinerated waste residue, and to pay tipping fees to the state. The commissioner may contract with additional persons for delivery of solid waste to the facility and the payment of tipping fees.

The proceeds of the levy and receipts from tipping fees shall be deposited in the state treasury for credit to the Fergus Falls power plant account.

Amounts to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year shall be paid by the city of Fergus Falls by November 1 of each year.

The balance on hand each November 1 in the Fergus Falls power plant account needed to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year is appropriated to the commissioner of finance for transfer to the Minnesota state building bond account in the state bond fund. Any amounts in the account on November 1 not needed to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year but needed to cover the operating, maintenance, and repair costs of the power plant through the next ensuing November 1 are appropriated to the commissioner of finance for transfer to the general fund. Any balance remaining in the Fergus Falls power plant account after the above transfers each November 1 may, as the city of Fergus Falls directs the commissioner of finance, either be used to prepay principal or interest, or both, on bonds still outstanding, or remain in the account to reduce the amount otherwise required to be levied by the city of Fergus Falls for the ensuing year.

(h) Raise high voltage switch gear and transformers 151,200

The appropriation in item (h) is from the trunk highway fund.

(i) Appleton public television 1,446,300

(j) Duluth public television 1,600,000

Sec. 3. [NATURAL RESOURCES.]

Subdivision 1. To the commissioner of administration or the commissioner of natural resources for the purposes more specifically described in the following subdivisions of this section 2,769,000

Subd. 2. To the commissioner of administration for the purposes specified in this subdivision 419,000

(a) Remodel southern service center 165,000

(b) Improve Rochester regional headquarters facilities 184,000

(c) Relocate Dentaybow warehouse or construct shop and warehouse building at Little Fork forestry station 30,000

(d) Construct warehouse for fisheries and forestry at Finland area headquarters 40,000

This building is considered an agricultural building and is exempt from the provisions of the building code relating to public buildings.

Of the appropriations in clauses (a), (b), and (d), \$195,000 is from the game and fish fund.

Subd. 3. To the commissioner of natural resources to relocate agricultural dikes along the Red River of the North-state match 750,000

Money spent from this appropriation shall be matched on a dollar for dollar basis by money raised or services provided locally. Federal general revenue sharing money may be counted as money raised locally, but other federal grants or loans shall be used to reduce equally the state share and the local share of project costs. This project is not eligible for a local dam loan pursuant to Minnesota Statutes, Section 105.482. The commissioner of natural resources shall cooperate with the watershed district and the affected landowners.

Subd. 4. To the commissioner of natural resources to construct a flood water detention structure in the Red Lake Watershed District . . . 1,500,000

Money for this project shall be disbursed through the Lower Red River Water Management Board. State funds shall not exceed 2/3 of the cost of the project with the remaining 1/3 cost to be provided locally. This project is not eligible for a local dam loan pursuant to Minnesota Statutes, Section 105.482.

Subd. 5. To the commissioner of natural resources to rehabilitate the Spruce Center Dam 100,000

Sec. 4. [TRANSPORTATION.]

Subdivision 1. To the commissioner of transportation for the purposes more specifically described in the following subdivisions of this section 101,942,000

Subd. 2. Operating facilities 3,400,000

(a) Purchase materials for energy improvements at truck stations 125,000

(b) Provide security fencing at truck stations 25,000

(c) Construct electronic communications buildings 86,000

(d) Retrofit Minnesota department of transportation buildings for energy savings according to

department of administration energy survey . . .	805,000
(e) Acquire land - Mapleton	20,000
(f) Construct equipment storage buildings	2,059,000
(1) Aitkin	\$ 275,000
(2) Grygla	249,000
(3) Mendota Heights	1,230,000
(4) Redwood Falls	305,000

Building construction costs shall not exceed \$35 per square foot. Any unused portion of building construction costs shall cancel back to the trunk highway fund.

(g) Provide public access to rest areas, information centers and other buildings serving the largest numbers of the public	100,000
(h) Replace heating systems	100,000
(i) Modify ventilation systems	80,000

If the commissioner of transportation does not have sufficient money to match all available federal aid for road and bridge construction during the biennium ending June 30, 1983, the commissioner shall defer the construction of some or all of the buildings in subdivision 2 until it is possible to match federal aid.

Subd. 3. Construct interstate weigh station at Worthington 542,000

The appropriations in subdivisions 2 and 3 are from the trunk highway fund.

Subd. 4. The commissioner of transportation may expend any portion of the appropriation made by Laws 1978, Section 8, Subdivision 4(b) for design, land acquisition, and construction of the Mendota Heights truck station serving the Dakota County area

Subd. 5. From the state transportation fund to the commissioner of transportation to acquire and better public land, buildings, and capital improvements in accordance with Minnesota Statutes, Section 174.50 and rules promulgated thereunder, to be expended for the purposes more specifically described in this subdivision 98,000,000

(a) For construction and reconstruction of key bridges and bridge approaches on routes on the trunk highway system, including interstate routes, for completion of non-interstate trunk highway bridges on projects in which a substantial investment has been made, and for construction of segments of the interstate highway system 95,000,000

(b) For matching funds not to exceed two-thirds of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local transportation projects which are funded with federal interstate substitution funds 3,000,000

Sec. 5. [MINNESOTA HISTORICAL SOCIETY.]

To the Minnesota historical society for the purposes specified in this section 700,000

(a) Remodeling in main historical building for microfilm operations 45,000

(b) Fort Snelling 619,000

Up to \$200,000 may be used for reconstruction of the Commandants Quarters. Federal Great River Road funds may be used to supplement this appropriation

(c) Remodeling and expansion of research center 36,000

Sec. 6. [VETERANS AFFAIRS.]

To the commissioner of administration to complete remodeling of the Hastings veterans home 261,000

Sec. 7. [ECONOMIC DEVELOPMENT.]

For the improvement of the Duluth Public Marine Terminal 2,500,000

Sec. 8. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Sections 16A.64, Subdivision 4, and 174.51, Subdivision 3 116,300

Sec. 9. [BOND SALE; DEBT SERVICE.]

To provide the money appropriated in this act from the state building fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$14,615,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67 and by the Constitution, Article XI, Sections 4 to 7.

Sec. 10. [AUTHORIZATION OF BONDS.]

To provide the money appropriated in section 4 from the state transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$98,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Section 174.51, and by the constitution, article XI, sections 4 to 7. The proceeds of the bonds, except premium and accrued interest, are appropriated to and shall be deposited in the Minnesota state transportation fund for expenditure for the acquisition and betterment of public land, buildings, and capital improvements in accordance with section 4 and Minnesota Statutes, Section 174.50.

Sec. 11. [REVIEW OF PLANS.]

The commissioner of administration shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 12. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]

Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioner of administration shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.

Sec. 13. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]

The commissioner of administration shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration has consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 14. Minnesota Statutes 1980, Section 116.18, Subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATION FROM THE FUND.] The sum of \$155,000,000, or so much thereof as may be necessary, is appropriated from the Minnesota state water pollution control fund in the state treasury to the pollution control agency, for the period commencing on July 23, 1971 and ending June 30, ~~1981~~ 1983, to be granted and disbursed to municipalities and agencies of the state in aid of the construction of projects conforming to section 116.16, in accordance with the rules, priorities, and criteria therein described. Except as otherwise provided in this subdivision and in subdivision 2, these state funds shall be expended at 15 per centum of the eligible cost of construction and shall be expended only for projects tendered a grant of federal funds under section 201(g), section 202, section 203 or section 206(f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 75 per centum of the eligible cost for construction of the treatment works; provided, that not less than ten percent of ~~such~~ the cost shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered ~~such~~ federal and state grants in a percentage cumulatively exceeding 90 per centum of the eligible cost of construction, the state pollution control agency shall reduce the grant to ~~such~~ the municipality under this chapter to the extent necessary to assure that not less than ten percent of ~~such~~ the cost shall be paid

by ~~said~~ *the* municipality. It is the purpose of this appropriation that a grant of state funds for each project approved in each of the fiscal years ending June 30, 1971 through ~~1981~~ 1983, shall be made in an amount not less than that required in federal law and regulations as a condition for the grant of federal funds for the project and for all other water pollution control projects for which federal grants are allocated in the same year, in the maximum amount permissible under ~~such~~ law and regulations.

Notwithstanding any other provision, the agency may, in its discretion, and after consideration of the amount of state funds required to match federal funds, make a grant of state funds not exceeding 15 per centum to a municipality that would qualify for a grant of federal funds but desires to initiate construction of a project without a federal grant. The agency may limit the scope and eligible cost of the project.

If a municipality is tendered a grant of federal funds under section 201, paragraph (g), section 202, section 203 or section 206, paragraph (f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 85 percent of the eligible cost for construction of treatment works utilizing innovative or alternative wastewater treatment processes and techniques, state funds shall be expended at nine percent of the eligible cost of construction; provided, that not less than six percent of the eligible cost of construction shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 94 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that the municipality receives no more than 94 percent of the eligible cost of construction.

Sec. 15. Minnesota Statutes 1980, Section 116.18, Subdivision 4, is amended to read:

Subd. 4. [BOND AUTHORIZATION.] For the purpose of providing money appropriated in subdivision 1 for expenditure from the Minnesota state water pollution control fund through grants to municipalities and agencies of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution, the commissioner of finance is authorized upon request of the pollution control agency to sell and issue Minnesota state water pollution control bonds in the amount of \$144,000,000, in the manner and upon the conditions prescribed in section 116.17 and in the Constitution, Article XI, Sections 4 to 7. The proceeds of ~~such~~ *the* bonds, except as provided in section 116.17, subdivision 5, are appropriated and shall be credited to the Minnesota state water pollution control fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the water pollution control fund equal to the aggregate amount of grants then approved and not previously disbursed, plus the amount of grants to be approved in the current and the following fiscal year, as estimated by the pollution control agency.

Sec. 16. Minnesota Statutes 1980, Section 174.50, Subdivision 1, is amended to read:

Subdivision 1. State assistance is needed to supplement local effort and the highway user tax distribution fund in financing capital improvements to pre-

serve and develop a balanced transportation system throughout the state. Such a system is a proper function and concern of state government and necessary to protect the safety and personal and economic welfare of all citizens. *It requires capital expenditures for public facilities, improvements, and equipment that are complementary, additional, and alternate to highways and are a proper object for contracting public debt and engaging in works of internal improvements under article XI, section 5, clause (a) of the constitution. These expenditures are needed to harmonize state and local highway systems with the requirements of the federal interstate highway system, to avoid harmful environmental impact of arterial highways on urban, scenic, and recreational areas, and to provide auxiliary facilities for the convenience and safety of persons crossing highways and persons living and working adjacent to them. Capital expenditures of this nature exceed requirements for basic highway systems and should be funded from sources other than the taxes and bonds authorized in article XIV of the constitution. However, the improvements tend to reduce the cost of maintenance of highways to the minimum required for accommodation of traffic, and the cost may and shall continue to be paid from taxes authorized in article XIV of the constitution. Immediate improvement needs are reconstruction and replacement of key bridges and approaches to remove obstructions to the flow of traffic on state and county highways, municipal streets and township roads and expedited completion of the interstate highway system in Minnesota by paying the state share of interstate highway segments, and a portion of the local share of interstate highway substitution projects when those interstate substitution projects are approved in accordance with state and federal law.*

Sec. 17. Notwithstanding the provisions of Minnesota Statutes, Section 282.01, the commissioner of revenue shall transfer and convey, without monetary consideration and by quitclaim deed in a form approved by the attorney general, in the name of the state of Minnesota, to the city of Minneapolis, all of the interest of the state in the following described tract of land situated in the county of Hennepin:

Portions of D.L. Peck's rearrangement of D.L. Peck's Addition to Minneapolis, namely Block 3 including the alley in said block, now vacated; that part of the North Half of 37th Avenue North, now vacated, lying between extensions across it of the Easterly and Westerly lines of said Block 3; and that part of 1 1/2 Street North, now vacated, lying between extensions across it of the North line of said Block 3 and the center line of 37th Avenue North.

Block 4 including the alley in said block, now vacated; that portion of the South half of 37th Avenue North, now vacated, lying between extensions across it of the Easterly and Westerly lines of said Block 4; and that part of 1 1/2 Street North, now vacated, lying between extensions across it of the South line of said Block 4 and the center line of 37th Avenue North according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County.

The described land is registered land evidenced by Certificate of Title No. 247556.

The conveyance shall state that the state of Minnesota releases to the city of Minneapolis any interest that may have been reserved in prior conveyances,

except mineral interest.

Sec. 18. [EFFECTIVE DATE.]

This act is effective the day following final enactment. ”

Amend the title as follows:

Page 1, line 8, before the period insert “; and 174.50, Subdivision 1”

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

House Conferees: (Signed) Phyllis L. Kahn, Glen H. Anderson, Michael R. Sieben, Merlyn O. Valan, James P. Metzner

Senate Conferees: (Signed) William P. Luther, Gerald L. Willet, Marion Menning, Clarence M. Purfeerst, Robert O. Ashbach

Mr. Willet 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 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 61 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kronebusch	Penny	Spear
Bang	Frank	Langseth	Peterson, C. C.	Stern
Belanger	Frederick	Lantry	Peterson, R. W.	Stokowski
Benson	Frederickson	Lessard	Petty	Taylor
Berg	Hanson	Lindgren	Pillsbury	Ulland
Berglin	Hughes	Luther	Purfeerst	Vega
Bernhagen	Humphrey	Menning	Ramstad	Waldorf
Bertram	Johnson	Merriam	Renneke	Wegener
Brataas	Kamrath	Moe, D. M.	Rued	Willet
Chmielewski	Keefe	Moe, R. D.	Schmitz	
Dahl	Knoll	Nelson	Setzepfandt	
Davis	Knutson	Olhoft	Sikorski	
Dicklich	Kroening	Pehler	Solon	

Messrs. Davies, Dieterich, Sieloff and Stumpf 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. 775 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 775

A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision;

144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

May 18, 1981

The Honorable Jack Davies
President of the Senate

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

We, the undersigned conferees for S. F. No. 775, 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. 775 be further amended as follows:

Page 4, after line 24, insert:

“Sec. 5. [FLUORIDATION OF MUNICIPAL WATER SUPPLIES.]

Notwithstanding section 144.145, the commissioner of health shall exempt the community of Brainerd from the requirement for fluoridation of its water supply. This exemption is for a study by the commissioner of health of the impact of fluoridation on the health, including the dental health of the residents. All costs generated by this study shall be borne by the city of Brainerd. This exemption is only effective upon approval by a majority of registered Brainerd voters voting on the issue at a regular or special election set by the Brainerd city council.”

Page 7, after line 19, insert:

“Subd 3. [CANCER SURVEILLANCE SYSTEM.] *The sum of \$30,000 is appropriated to the commissioner of health for the biennium ending June 30, 1983 for the purpose of designing a statewide cancer and birth defects surveillance system and pilot testing the system. This amount shall be taken from the appropriations for subdivisions 1 and 2. The commissioner shall seek matching funds from other sources to supplement this amount.”*

Page 7, line 21, delete “10” and insert “11”

Re-number the sections in sequence

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

Senate Conferees: (Signed) Tom A. Nelson, Gerry Sikorski, Earl W. Renneke

House Conferees: (Signed) Don Samuelson, Bob Anderson, Janet H. Clark

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on S. F. No. 775 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. 775 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 19, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Pehler	Solon
Benson	Engler	Lantry	Penny	Spear
Berg	Frederick	Lessard	Peterson, C.C.	Stern
Bernhagen	Frederickson	Luther	Purfeerst	Taylor
Bertram	Hughes	Menning	Ramstad	Tennesen
Chmielewski	Humphrey	Moe, D. M.	Renneke	Ulland
Dahl	Johnson	Moe, R. D.	Rued	Vega
Davis	Knutson	Nelson	Setzepfandt	Wegener
Dicklich	Kronebusch	Olhoft	Sikorski	Willet

Those who voted in the negative were:

Bang	Davies	Knoll	Peterson, R.W.	Sieloff
Belanger	Frank	Kroening	Petty	Stumpf
Berglin	Kamrath	Merriam	Pillsbury	Waldorf
Brataas	Keefe	Peterson, D.L.	Schmitz	

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 accedes to the request of the Senate for the return of House File No. 1139 for further consideration.

H. F. No. 1139: A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; creating certain judicial positions to be filled by election; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; authorizing the judges of the courts within each judicial district to elect to form one unified court; creating an appellate division of the district court; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.01; 484.70, Subdivision 1, and by adding subdivisions; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.10; proposing new law coded in Minnesota Statutes, Chapter 484; proposing new law coded as Minnesota Statutes, Chapter 484A; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6.

House File No. 1139 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

RECONSIDERATION

Mr. Tennesen moved that the vote whereby H. F. No. 1139 was passed by the Senate on May 18, 1981, be now reconsidered. The motion prevailed.

RECONSIDERATION

Having voted on the prevailing side, Mr. Tennesen moved that the vote whereby the Penny amendment to H. F. No. 1139 was not adopted on May 18, 1981, be now reconsidered. The motion prevailed.

The question recurred on the Penny amendment.

Mr. Penny moved to amend H. F. No. 1139, as amended pursuant to Rule 49, adopted by the Senate May 15, 1981, as follows:

(The text of the amended House File is identical to S. F. No. 1094.)

Page 5, delete lines 10 to 36

Page 6, delete lines 1 to 15

Page 6, line 16, delete "(c)" and insert "Subd. 6. [JUDGE POSITIONS; CREATION; ABOLITION.]"

The motion prevailed. So the amendment was adopted.

H. F. No. 1139 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 7, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knutson	Pehler	Sikorski
Bang	Dieterich	Kroening	Penny	Solon
Belanger	Engler	Langseth	Peterson, R. W.	Spear
Benson	Frank	Lantry	Petty	Stern
Berg	Frederickson	Lindgren	Pillsbury	Stokowski
Berglin	Hanson	Luther	Purfeerst	Stumpf
Bernhagen	Hughes	Menning	Ramstad	Taylor
Bertram	Humphrey	Merriam	Renneke	Tennesen
Chmielewski	Johnson	Moe, D. M.	Rued	Ulland
Dahl	Kamrath	Moe, R. D.	Schmitz	Vega
Davies	Keefe	Nelson	Setzepfandt	Waldorf
Davis	Knoll	Olhoft	Sieloff	Wegener

Those who voted in the negative were:

Brataas	Kronebusch	Peterson, C. C.	Peterson, D. L.	Willet
Frederick	Lessard			

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1143 and

repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1143 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1981

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1143

A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

May 18, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1143, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendments.

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

House Conferees: (Signed) John E. Brandl, Joseph R. Begich, Terry M. Dempsey

Senate Conferees: (Signed) Neil Dieterich, George S. Pillsbury, Gene Merriam

Mr. Dieterich moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1143 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. 1143 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Pehler	Sikorski
Bang	Dieterich	Kronebusch	Peterson, C. C.	Solon
Belanger	Engler	Langseth	Peterson, D. L.	Spear
Benson	Frank	Lantry	Peterson, R. W.	Stern
Berg	Frederick	Lessard	Petty	Stumpf
Berglin	Frederickson	Lindgren	Pillsbury	Taylor
Bernhagen	Hughes	Luther	Purfeerst	Tennessee
Bertram	Humphrey	Menning	Ramstad	Ulland
Brataas	Johnson	Merriam	Renneke	Vega
Chmielewski	Kamrath	Moe, D. M.	Rued	Waldorf
Dahl	Keefe	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzepfandt	Willet
Davis	Knutson	Olhoft	Sieloff	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1382 a Special Order to be heard immediately.

S. F. No. 1382: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature; amending H.F. No. 332, Sections 10, Subdivision 1; 11, Subdivision 4; and 15, Subdivision 1; amending Minnesota Statutes 1980, Sections 15.0413, as amended; 47.20, Subdivision 6a, as amended; 595.02, as amended; and S.F. No. 876.

Mr. Davies moved to amend S.F. No. 1382 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1981, Chapter 59, Section 10, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Upon the termination or cancellation of any franchise, the new motor vehicle dealer shall, in the time prescribed, be allowed fair and reasonable compensation by the manufacturer for the following items:

(a) New motor vehicle inventory which was originally acquired from the manufacturer;

(b) Equipment and furnishings if the new motor vehicle dealer purchased them from the manufacturer;

(c) Special tools;

(d) Supplies, including parts, purchased from the manufacturer. Fair and reasonable compensation as applied to parts means that the manufacturer shall reimburse the dealer for 100 percent of the net cost of all current unused automobile and truck parts, including transportation charges, and 85 percent of the current net prices on repair parts, including superseded parts listed in current price lists or catalogs plus five percent of the current net price of all parts returned to compensate the dealer for the handling, packing, and loading of the parts;

(e) Except as provided in paragraph (f), dealership facilities if the facilities were required to be purchased or constructed as a precondition to obtaining the franchise or its renewal by the manufacturer. If the facilities described in this clause were leased and the lease was required by the manufacturer as a precondition to obtaining the franchise or to its renewal, then the manufacturer is liable for one year's payment of the rent or the remainder of the term of the lease, whichever is less. The manufacturer has no obligations under this clause if the termination or cancellation was for good cause based on the conviction or a plea of nolo contendere of the dealer or one of its principal owners for a crime which constitutes a felony as defined in Minnesota Statutes, Section 609.02, Subdivision 2, or where it has been demonstrated at the hearing that the new motor vehicle dealer has repeatedly exhibited a course of conduct constituting fraud with respect to the manufacturer or the general public;

(f) In the event the termination or cancellation is due to a failure of performance of the dealer in sales or service as described in section 7, subdivision 2, the manufacturer shall have no obligation to purchase facilities owned by the dealer but shall be required to pay the dealer a sum equivalent to the reasonable rental value of the facilities for one year. In all other respects the provisions of paragraph (e) shall apply.

Sec. 2. Laws 1981, Chapter 59, Section 11, Subdivision 4, is amended to read:

Subd. 4. [PAYMENTS.] In the event of nonrenewal or failure to renew, the manufacturer or distributor shall be obligated to make the same payments to the dealer and in the same manner, subject to the same limitations and restrictions, as are set forth in section 9 10.

Sec. 3. Laws 1981, Chapter 59, Section 15, Subdivision 1, is amended to read:

Subdivision 1. [NOTIFICATION; PROTEST; HEARING.] In the event

that a manufacturer seeks to enter into a franchise establishing an additional new motor vehicle dealership or relocating an existing new motor vehicle dealership within or into a relevant market area where the line make is then represented, the manufacturer shall, in writing, first notify each new motor vehicle dealer in this line make in the relevant market area of the intention to establish an additional dealership or to relocate an existing dealership within or into that market area. The relevant market area is a radius of ten miles around an existing dealership. Within 15 days of receiving the notice or within 15 days after the end of any appeal procedure provided by the manufacturer, the new motor vehicle dealership may commence a civil action in a court of competent jurisdiction pursuant to section 47 18 challenging the establishing or relocating of the new motor vehicle dealership. An action brought under this section shall be placed on the calendar ahead of other civil actions to be heard and determined as expeditiously as possible. Thereafter the manufacturer shall not establish or relocate the proposed new motor vehicle dealership unless the court has determined that there is good cause for permitting the establishment or relocation of the motor vehicle dealership.

For the purposes of this section, the reopening in a relevant market area of a new motor vehicle dealership within two miles of a location at which a former dealership of the same line make had been in operation within the previous two years shall not be deemed the establishment of a new motor vehicle dealership.

The relocation of an existing dealer within its area of responsibility as defined in the franchise agreement shall not be subject to this section, if the proposed relocation site is not within five miles of an existing dealer of the same line make.

Sec. 4. A law enacted at the 1981 Regular Session styled as H.F. No. 493, Section 7, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL OBLIGATION BONDS.] A municipality may, by resolution, authorize, issue and sell general obligation bonds or obligations to finance any expenditure by the municipality for the acquisition, construction, expansion, modification or operation of a district heating system and for the purpose of loaning the proceeds of the bonds or obligations to any person, firm or public or private corporation to acquire, construct, expand or modify a district heating system. Except with regard to the net debt limit as provided in section 465.74 6, subdivision 4, the general obligation bonds or obligations authorized by this subdivision shall be authorized, issued and sold in the same manner and subject only to the same conditions as those provided in chapter 475. When revenues from the operation of a district heating system are pledged to the repayment of the bonds or obligations, the estimated collections of said revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds or obligations under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1 or 3.

Sec. 5. A law enacted at the 1981 Regular Session styled as H.F. No. 493, Section 7, Subdivision 3, is amended to read:

Subd. 3. [REDEVELOPMENT AGENCY.] A municipality may itself, or by ordinance authorize any redevelopment agency as defined in section 474.03 474.02, subdivision 3, acting for the municipality, to exercise any and all of

the powers granted to the municipality under subdivision 2 and to the redevelopment agency under any other law for the purpose of financing all or any portion of the district heating system and any conversion facilities for modifying the user's heating or water system to use the heat energy converted from the steam or hot water furnished by the district heating system including, but without limitation, the payment of interest during construction and for a reasonable time thereafter and the establishment of reserves for bond payment and for working capital, in which event if the issuer is a redevelopment agency the sources of revenue that may be pledged to the payment of revenue bonds or obligations shall include any revenues of the redevelopment agency. The proceeds of bonds or obligations issued by the municipality or redevelopment agency may be used to make or purchase loans for facilities which the issuer estimates will require such financing, and, for the purpose of making or purchasing such loans the issuer shall have power to enter into loan agreements and other related agreements, both before and after the issuance of the obligations, with such persons, firms, public or private corporations, federal or state agencies, governmental units, and under such terms and conditions as the issuer shall deem appropriate; and any governmental unit in the state shall have the power to apply, contract for and receive the loans without limitation under any other provisions of chapter 475.

Sec. 6. A law enacted at the 1981 Regular Session styled as S.F. No. 1087, Section 42, is amended to read:

Sec. 42. [REPEALER.]

Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2, 3, 4, 5, 6, 7, and 8, are repealed.

Sec. 7. Minnesota Statutes 1980, Section 60A.11, Subdivision 7, is amended to read:

Subd. 7. [INVESTMENTS IN NAME OF COMPANY OR NOMINEE AND PROHIBITIONS.] ~~All of the funds of an insurance company other than a life insurance company shall be held in its corporate name or its nominee name, except that investments may be held under the name of a nominee of a bank or trust company if the securities are kept under a custodial arrangement with such bank or trust company. Such custodial arrangements shall be evidenced by an agreement and shall meet the following requirements:~~

(1) ~~The securities shall be held by a bank or trust company licensed by the United States or any state thereof; and~~

(2) ~~the agreement shall provide that the securities so deposited shall at all times be kept separate and apart from other deposits with the depository; so that at all times they may be identified as belonging solely to the company making the deposit.~~

No officer, director, or member of any committee passing on investments shall borrow any of such funds, or become, directly or indirectly, liable as a surety or endorser for or on account of loans thereof to others, or receive to his own use any fee, brokerage, commission, gift, or other consideration for, or on account of, any loan made by or on behalf of the company.

Sec. 8. Minnesota Statutes 1980, Section 595.02, as amended by Laws 1981, Chapter 131, Section 2, is amended to read:

595.02 [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of such attorney be examined as to such communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of such person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of such patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of such deceased person for the purpose of waiving the privilege hereinbefore created, and no oral or written waiver of the privilege hereinbefore created shall have any binding force or effect except that the same be made upon the trial or examination where the evidence is offered or received;

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses;

(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or

opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

(8) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication of the person if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which he is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege.

Sec. 9. Minnesota Statutes 1980, Section 15.0413, Subdivision 3, as amended at the 1981 Regular Session by a law styled as S.F. No. 1043, Section 20, as enacted, is amended to read:

Subd. 3. [EXEMPT AGENCIES AND RULES.] (a) Any rules adopted, amended, suspended, or repealed by any agency but excluded from the administrative procedure act by section 15.0411, subdivision 2, shall have the force and effect of law upon compliance with the procedures of paragraph (c) of this subdivision. However, this subdivision does not apply to:

(1) rules implementing emergency powers pursuant to sections 12.31 to 12.37;

(2) rules of agencies directly in the legislative or judicial branches; or

(3) rules of the regents of the University of Minnesota.

(b) Rules adopted, amended, suspended, or repealed by any agency but excluded from the definition of "rule" in section 15.0411, subdivision 3, shall have the force and effect of law upon compliance with paragraph (c) of this subdivision.

However, this subdivision does not apply to:

(1) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public; or,

(2) opinions of the attorney general.

(c) The rules have the force and effect of law if:

(1) the revisor of statutes approves the form of the rules by certificate;

(2) two copies of the rules with the revisor's certificate are filed in the office of the secretary of state; and,

(3) a copy is published in the state register.

(d) The rules become effective five working days after publication in the state register. The secretary of state shall forward one copy of each rule to the revisor of statutes. Rules filed in accordance with this subdivision, as it was in effect on the date the rules ~~are~~ were filed, shall be included in Minnesota Rules.

(e) Any law exempting an agency or rule from sections 15.0411 to 15.052 shall not be construed as preventing an agency from complying with this

subdivision, unless the law specifically provides to the contrary.

Sec. 10. A law enacted at the 1981 Regular Session styled as S.F. No. 876, Section 30, Subdivision 3, is repealed.

Sec. 11. Minnesota Statutes 1980, Section 47.20, Subdivision 6a, as amended by Laws 1981, Chapter 137, Section 6, is amended to read:

Subd. 6a. If the purpose of a conventional loan, or loan made pursuant to the authority granted in subdivision 1, clause (3) or (4), is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate and shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments, and (3) executes an agreement in writing to pay interest on the remaining obligation at a new interest rate which will be the ~~bank's~~ lender's current market rate of interest on similar loans at the time of the transfer, but which will be no greater than the most recently published monthly index of the federal national mortgage association auction yields as compiled by the federal national mortgage association. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument.

Sec. 12. A law enacted by the 1981 Regular Session styled as H.F. No. 182, Section 2, is amended to read:

Sec. 2. [56.002] [APPLICATION.]

This chapter does not apply to a person doing business under and as permitted by any law of this state or of the United States relating to banks, building and loan associations, savings and loan associations, trust companies, licensed pawnbrokers, or credit unions. Notwithstanding the provisions of section 3, an industrial loan and thrift company under chapter 53 may contract for and receive the charges, including those in section ~~15 14~~, authorized by this chapter without being licensed pursuant to this chapter, but shall comply with all other provisions of this chapter when contracting for or receiving charges on loans regulated by this chapter.

Sec. 13. A law enacted by the 1981 Regular Session styled as H.F. No. 182, Section 11, Subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section ~~15 14~~, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not

exceed one percent of the principal amount or \$250, whichever is greater:

(1) Fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) An amount not to exceed \$150, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees.

Sec. 14. Minnesota Statutes 1980, Section 56.19, Subdivision 1, as amended by a law enacted by the 1981 Regular Session as H.F. No. 182, Section 18, is amended to read:

Subdivision 1. [CRIMINAL PENALTY.] Any person and the several members, officers, directors, agents, and employees thereof, who shall violate or participate in the violation of any of the provisions of sections 56.01, 56.12, 56.14, 56.17, 56.18, and ~~sections 11 and 12~~ section 11 shall be guilty of a gross misdemeanor.

Sec. 15. A law enacted by the 1981 Regular Session styled as H.F. No. 182, Section 11, Subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section ~~15~~ 14, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) Fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) An amount not to exceed \$150, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees.

Sec. 16. A law enacted by the 1981 Regular Session styled as H.F. No. 1125, Article II, Section 3, Subdivision 2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by

the following sections:

- (a) Abstracters regulated pursuant to chapter 386;
- (b) Accountants regulated pursuant to chapter 326;
- (c) Adjusters regulated pursuant to chapter 72B;
- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) *Collection agencies regulated pursuant to chapter 332;*
- (~~h~~) (m) Cosmetologists regulated pursuant to chapter 155;
- (~~m~~) (n) Dentists and dental hygienists regulated pursuant to chapter 150;
- (~~n~~) (o) Detectives regulated pursuant to chapter 326;
- (~~o~~) (p) Electricians regulated pursuant to chapter 326;
- (~~p~~) (q) Embalmers regulated pursuant to chapter 149;
- (~~q~~) (r) Engineers regulated pursuant to chapter 326;
- (~~r~~) (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (~~s~~) (t) Midwives regulated pursuant to chapter 148;
- (~~t~~) (u) Morticians regulated pursuant to chapter 149;
- (~~u~~) (v) Nursing home administrators regulated pursuant to chapter 144A;
- (~~v~~) (w) Optometrists regulated pursuant to chapter 148;
- (~~w~~) (x) Osteopathic physicians regulated pursuant to chapter 147;
- (~~x~~) (y) Pharmacists regulated pursuant to chapter 151;
- (~~y~~) (z) Physical therapists regulated pursuant to chapter 148;
- (~~z~~) (aa) Physicians and surgeons regulated pursuant to chapter 147;
- (~~aa~~) (bb) Plumbers regulated pursuant to chapter 326;
- (~~bb~~) (cc) Podiatrists regulated pursuant to chapter 153;
- (~~cc~~) (dd) Practical nurses regulated pursuant to chapter 148;
- (~~dd~~) (ee) Professional fundraisers regulated pursuant to chapter 309;
- (~~ee~~) (ff) *Psychologists regulated pursuant to chapter 148;*
- (~~ff~~) (gg) Real estate brokers and salespersons and others regulated pursuant to ~~chapter~~ chapters 82 and 83;

- ~~(ff)~~ (hh) Registered nurses regulated pursuant to chapter 148;
- ~~(gg)~~ (ii) Securities brokers, dealers and agents and investment advisers regulated pursuant to chapter 80A;
- ~~(hh)~~ (jj) Steamfitters regulated pursuant to chapter 326;
- ~~(ii)~~ (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- ~~(jj)~~ (ll) Veterinarians regulated pursuant to chapter 156;
- ~~(kk)~~ (mm) Watchmakers regulated pursuant to chapter 326;
- ~~(ll)~~ (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;
- ~~(mm)~~ (oo) Water well contractors regulated pursuant to chapter 156A;
- ~~(nn)~~ (pp) Water and waste treatment operators regulated pursuant to chapter 115;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and
- (8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health.

Sec. 17. Minnesota Statutes 1980, Section 216B.16, Subdivision 1b, as added by a law enacted by the 1981 Regular Session styled as H.F. No. 1434, Section 70, is amended to read:

Subd. 1b. When a public utility proposes changes in *general* rates that would increase *general* rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 18. A law enacted by the 1981 Regular Session styled as H. F. No. 1434, Section 2, Subdivision 4, is amended to read:

Subd. 4. Public Transportation 2,474,400 1,487,800
 The amounts that may be expended from this

appropriation for each activity are as follows:

(a) Transportation Rates and Regulation
 \$ 539,000 \$ 546,100

(b) Transit Administration
 \$ 352,000 \$ 354,500

The appropriation made by Laws 1979, Extra Session, Chapter 1, Section 4, for development of operating standards for vehicles providing special transportation service and of procedures for enforcing the standards shall be available until June 30, 1983.

(c) Railroad Administration
 \$ 583,400 \$ 587,200

(d) Rail Service Improvement Grants
 \$1,000,000

This appropriation is from the general fund for transfer to the rail service improvement account.

This appropriation shall be used to maximize the use of federal money.

(e) AMTRAK operations for the Northstar line between Minneapolis-St. Paul and Duluth
 \$ 75,000

This appropriation *is from the general fund and* may be used to satisfy any deficit and may be expended only if funds from any municipality or other sources are so appropriated or otherwise received. This appropriation shall be used to match on a 50-50 basis the amount received from the other sources. These funds shall be available immediately.

Sec. 19. Minnesota Statutes 1980, Section 237.075, Subdivision 1b, as added by a law enacted at the 1981 Regular Session styled as H.F. No. 1434, Section 73, is amended to read:

Subd. 1b. When a telephone company proposes changes in *general* rates that would increase *general* rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 20. A law enacted at the 1981 Regular Session styled as H.F. No. 1434, Section 1, is amended to read:

Section 1. [TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.]

The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the

agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

(Net after transfers)

	1981	1982	1983	TOTAL
General	\$75,000	\$37,793,800	\$37,615,700	\$75,484,500
		37,838,800		75,529,500
Airports		10,319,300	9,956,300	20,275,600
M.S.A.S.		35,208,600	35,280,900	70,489,500
C.S.A.H.		107,291,200	107,524,900	214,816,100
Tr. Hwy.		337,171,700	341,119,500	678,291,200
Hwy. User		6,077,500	6,129,200	12,206,700
Special Revenue Fund		157,900	167,500	325,400
TOTAL	\$75,000	\$534,020,000	\$537,794,000	\$1,071,889,000
		534,065,000		1,071,934,000

Sec. 21. A law enacted at the 1981 Regular Session styled as H.F. No. 1446 is amended by inserting a heading above the first section 1 to read:

ARTICLE I

Sec. 22. A law enacted at the 1981 Regular Session styled as H.F. No. 1446, Article I, Section 2, Subdivision 5, is amended to read:

Subd. 5. Mental Health 146,855,000 146,157,300

The commissioner of public welfare may fill up to 120 human services technician positions in the state hospitals in addition to the approved complement specified in this subdivision for the purpose of alleviating recruitment delays in direct patient care, as salary savings become available to fund the positions.

The commissioner of public welfare shall not reduce the number of human services technician positions in the state hospital system.

As the hospital population decreases, the supportive staff complement shall be reduced in direct proportion.

The amounts that may be expended from this appropriation for each activity are as follows:

Program Offices		
Mentally Ill	\$ 5,117,000	\$ 7,836,800
Mentally Retarded	\$ 1,733,400	\$ 2,512,700

The commissioner of public welfare may fund up to 200 families for the mentally retarded family subsidy program.

This appropriation contains \$12,000 each year for the brain-injured persons program. The commissioner of public welfare shall contract with an approved vendor to pay the costs of services provided to brain-injured persons. The commissioner shall contract with a neurosurgeon who is independent of the approved vendor to evaluate, initially and on or about March 1, 1982, each person for whom services are provided under this appropriation to ascertain the person's current stage of neurological development and prognosis for improvement. The neurosurgeon shall send a written report of each evaluation to the commissioner. For the purposes of this appropriation, "approved vendor" means the Institutes for the Achievement of Human Potential.

Chemically Dependent

\$ 1,922,500 \$ 1,929,600

Any federal money received in excess of the estimates shown in the 1981 budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

State Hospitals

Approved Complement -

By June 30, 1983 - 5485

Current Expense

\$ 14,449,000 \$ 15,450,300

Salaries

\$107,955,500 \$104,662,100

Repairs and Betterments

\$ 1,400,100

Special Equipment

\$ 521,700

Notwithstanding the provisions of Minnesota Statutes 1980, Sections 246.50 to 246.53, the commissioner of public welfare shall determine what part of the cost of care for state hospital treatment a patient or his relatives are able to pay. In no case, shall a patient or his patient's relatives, unless they reside outside the state, be ordered to pay more than ten percent of the cost of care.

By July 1, 1981, the chemical dependency and surgical units at Rochester state hospital shall be closed. The remaining units at Rochester state hospital shall be closed no later than June 30, 1982. Best efforts shall be made by the department of administration to sell the buildings and adjoining land within one year from the date of closure, after the commissioner of public welfare has certified to the commissioner of ad-

ministration pursuant to provisions of Minnesota Statutes, Section 94.09, Subdivision 2, that the state hospital campus is no longer needed by the department of public welfare. Notwithstanding any other law to the contrary, a portion or all of the buildings and the adjacent lands can be sold to anyone.

Prior to the closure date for each unit, the commissioner of public welfare shall arrange for the orderly transfer of all affected patients. The commissioner shall, to the extent possible, provide at least 60 days notice of transfer and allow patients and their parents, spouse or guardian, and the appropriate county agency input regarding the institution or community placement to which the patient is to be transferred.

Effective immediately, the commissioner of employee relations shall monitor the orderly reassignment of affected employees of the state hospital pursuant to authority vested in him by Minnesota Statutes, Section 246.60. The commissioners of public welfare and employee relations shall provide training or other assistance as necessary for employees to aid in this transition. Direct care positions shall be transferred to other state hospitals in the same proportion as patients are transferred. Early retirement shall be encouraged where possible, with full protection for retirement benefits. Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Rochester state hospital or other state employment shall be entitled to severance pay in the amount equal to five 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 \$5,000.

Quarterly progress reports must be submitted by the commissioner of public welfare to the legislative advisory commission and must include information with respect to the following:

- (a) Employee negotiations;
- (b) Community placement of affected patients;
- (c) Admissions figures; and
- (d) Any other activities affecting closure.

Any savings in excess of the \$7,000,000 projected to result from the closure of the hospital may be directed by the commissioner of public welfare into funding for community facilities for mentally ill, chemically dependent, and mentally retarded persons.

Nursing Homes
Approved Complement -
By June 30, 1983 - 617

Current Expense
\$ 1,710,700 \$ 1,888,200

Salaries
\$11,238,300 \$11,298,000

Repairs and Betterments
\$ 146,500

Special Equipment
\$ 68,300

Mental Health Support
\$ 592,000 \$ 579,600

Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

The information for the budgets for the nursing homes and hospitals shall be submitted to the 1983 legislature on an individual institution basis.

Positions and administrative money may be transferred between the various activities within each subdivision in this section.

Work activity centers in state hospitals shall make available up to 25 percent of their capacity for community referrals. The community referrals will be funded by the division of vocational rehabilitation, will provide sheltered work and work activity, and will be certified under Minnesota Statutes, Chapter 129A.

Sec. 23. Minnesota Statutes 1980, Section 256D.03, Subdivision 2, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 1446, Article II, Section 34, is amended to read:

Subd. 2. After December 31, 1980, state aid shall be paid to local agencies for 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1, and according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance: (a) at a standard higher than that established by the commissioner without reference to the standards of section 256D.01, subdivision 1; or, (b) to persons not meeting the eligibility standards set forth in section 256D.05, subdivision 2 1, but for whom the aid would further the purposes established in the general assistance program in accordance with rules promulgated by the commissioner pursuant to the administrative procedure act.

Sec. 24. A law enacted at the 1981 Regular Session styled as H.F. No. 1446, Article II, Section 54, is amended to read:

Sec. 54. [SUNSET PROVISION.]

Article II, Sections 26, 27, 31 ~~and~~, 36, and 40 are repealed effective June

30, 1983. *Notwithstanding the provisions of Minnesota Statutes, Section 645.34, the repeal of Article II, Sections 26, 27, 31, and 36 shall revive the corresponding provision or section of the original law as it existed immediately prior to the amendments made by Article II, Sections 26, 27, 31, and 36; provided, however, that amendments made to the statutory sections amended by Article II, Sections 26, 27, 31, and 36 between the effective date of this section and June 30, 1983 shall remain effective after June 30, 1983 unless otherwise provided by law.*

Sec. 25. Minnesota Statutes 1980, Section 256.05, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 1446, Article II, Section 36, is amended to read:

Subdivision 1. [STANDARDS.] Each person or family whose income and resources are less than the standard of assistance established by the commissioner, and who is not eligible for the federally aided assistance programs of emergency assistance or aid to families with dependent children, or any successor to those programs, shall be eligible for and entitled to general assistance if the person or family is:

(a) A person suffering from an illness, injury, or incapacity which is both medically certified and prevents the individual from engaging in suitable employment, if a plan for rehabilitation approved by the local agency through its director or designated representative is being followed when the situation is certified as temporary;

(b) A person whose presence in the home on a substantially continuous basis is required because of the certified illness or incapacity of another member of the household;

(c) A person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, if the placement is based on illness or incapacity, and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) A person who resides in a shelter facility described in subdivision 3;

(e) A person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40. In determining eligibility of the person for general assistance, income received as a stipend shall be disregarded as provided in section 4.40;

(f) A person who is unable to secure suitable employment due to inability to communicate in the English language, and who, if assigned to a language skills program by the local agency, is participating in that program;

(g) A person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally ill; or

(h) A person who is unable to secure suitable employment due to a lack of marketable skills as determined by the local agency, and who, if assigned to a vocational counseling, vocational rehabilitation, or work training program by the local agency, is participating in that program. Eligibility for general assistance under clause (h) of this ~~paragraph~~ subdivision is limited to five weeks per calendar year.

Sec. 26. A law enacted at the 1981 Regular Session styled as S.F. No. 359, Section 144, Subdivision 7, is amended to read:

Subd. 7. The following sums are appropriated from the general fund in the fiscal years indicated for the purposes of implementing the computerization of

the records and information system of the department of labor and industry. 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. The commissioner of insurance in consultation with the commissioners of labor and industry and of administration, shall propose a plan for implementation of this computerization no later than August 1, 1981. The commissioner of insurance shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to section 16.955, but this project is not subject to the requirements of that section. The installation and operation of computer equipment shall commence by October 1, 1981 and be completed by January 1, ~~1981~~ 1982.

Sec. 27. Minnesota Statutes 1980, Section 260.031, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 515, Section 1, is amended to read:

Subdivision 1. The office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created. Persons holding office of referee on June 30, 1980, in the second and ~~June 30, 1977~~ August 15, 1980, in the fourth judicial district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to juvenile court. Referees shall be qualified for their duties by their previous training and experience and hold office at the pleasure of the judge. The compensation of a referee shall be fixed by the judge, approved by the county board and payable from the general revenue funds of the county not otherwise appropriated. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 28. Minnesota Statutes 1980, Section 484.70, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 515, Section 3, is amended to read:

Subdivision 1. The office of referee is abolished. No vacancy in the office of referee, including family, juvenile, probate, and special term referees, shall be filled, nor new office created. Persons holding the office of referee on June 30, 1980, in the second and ~~June 30, 1978~~ August 15, 1980, in the fourth judicial district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family or, probate, juvenile or special term court. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 29. A law enacted at the 1981 Regular Session styled as H.F. No. 1443, Section 358, is amended to read:

Sec. 358. [EXPENSES OF JUDGES.]

During the biennium ending June 30, 1983, judges of the district court shall be reimbursed for all sums, not reimbursed by counties-, they shall necessarily hereafter pay out for membership dues in state and local judges' associations.

Sec. 30. Minnesota Statutes 1980, Section 124.5624, Subdivision 3, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 70, Article V, Section 29, is amended to read:

Subd. 3. "Post-secondary vocational aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and repair and betterment aid apportioned by the state board for vocational education to local school districts for the purpose of

(a) acquisition or purchase of equipment or machinery;

(b) betterment as defined in section 475.51 of equipment or machinery; and

(c) paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment,

as necessary for the conduct of post-secondary vocational-technical training. Post-secondary vocational *equipment* aid shall be utilized solely for the purposes enumerated in this section.

Sec. 31. Minnesota Statutes 1980, Section 124.11, Subdivision 2a, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 70, Article V, Section 11, is amended to read:

Subd. 2a. (a) Through the 1981-1982 school year, ninety percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The ~~ten percent~~ final payment, adjusted to reflect the actual average daily membership, shall be made to ~~each district~~ in September of the following fiscal year.

(b) Beginning in the 1982-1983 school year, eighty-five percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The ~~15 percent~~ final payment, adjusted to reflect the actual average daily membership, shall be made to ~~each district~~ in September of the following fiscal year.

Sec. 32. Minnesota Statutes 1980, Section 124.11, Subdivision 2b, as amended by a law enacted at the 1981 Regular Session styled as H.F. No. 70, Article V, Section 12, is amended to read:

Subd. 2b. (a) Through the 1981-1982 school year, post-secondary vocational supply aid and support services aid shall be paid to districts in equal installments on or before August 1, November 1, February 1, and May 1 of each year. Eighty percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts ~~on or before~~ by May 1 of each year.

(b) Beginning in the 1982-1983 school year, the state shall pay to districts 25 percent of post-secondary vocational supply aid and support services aid by

August 1, 20 percent by November 1, 20 percent by February 1, and 20 percent by May 1 of each school year. Eighty-five percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts by August 1 of each year. The ~~45 percent~~ final aid distribution shall be paid to ~~districts made~~ by October 31 of the following school fiscal year.

Sec. 33. Minnesota Statutes 1980, Section 177.25, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as S.F. No. 338, Section 1, is amended to read:

Subdivision 1. No employer shall employ any of his employees for a workweek longer than 48 hours, unless such employee receives compensation for his employment in excess of 48 hours in a workweek at a rate of not less than one and one-half times the regular rate at which he is employed; (1) provided, however, that an employer if it is the State of Minnesota or a political subdivision may grant time off at the rate of one and one-half hours for each hour worked in excess of 48 hours in any week in lieu of monetary compensation; and, (2) provided, however, that no employer shall be deemed to have violated the overtime pay provisions of this section by employing any employees for a workweek in excess of that specified in this section without paying the compensation for overtime employment prescribed herein (a) if the employee is employed under an agreement meeting the requirement of section 7 (b) (2) of the Fair Labor Standards Act of 1938, as amended, or (b) if the employee is employed as a sugarbeet hand laborer on a piece rate basis, provided that the regular rate of pay received per hour of work pursuant to applicable rules exceeds the applicable wage provided in section ~~479.24~~ 177.24, subdivision 1, by at least 40 cents.

Sec. 34. A law enacted at the 1981 Regular Session styled as H.F. No. 900, Section 4, is amended to read:

Sec. 4. [DEPARTMENT OF NATURAL RESOURCES; APPROPRIATION FOR ACQUISITION AND DEVELOPMENT.]

The following sums are appropriated from the state building fund to the commissioner of natural resources to acquire and better public outdoor recreation lands and capital improvements:

(1) For acquisition of state parks and recreation areas, as listed and described in Minnesota Statutes, Sections 85.012 and 85.013	\$2,000,000
(2) For betterment of state parks and recreation areas, as listed and described in Minnesota Statutes, Sections 85.012 and 85.013	2,434,800
(3) For acquisition of state trails listed and described in Minnesota Statutes, Section 85.015, and pursuant to Minnesota Statutes, Section 84.029, Subdivision 2.	90,000
(4) For betterment of state trails and trails within state parks, state forests and other units of the outdoor recreational system as defined in Minnesota Statutes, Section 86A.05	2,000,000
(5) For acquisition of Minnesota Valley Trail described in Minnesota Statutes, Section 85.021	200,000
(6) For acquisition of state forests listed and described in Minnesota Statutes, Section 89.021	200,000

(7) For betterment of state forest roads and bridges	1,500,000
(8) For acquisition of fishing management lands including 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 Minnesota Statutes, Section 97.48, Subdivisions 8, 11 and 15	400,000
(9) For acquisition of wildlife management areas pursuant to Minnesota Statutes, Sections 97.48, Subdivision 13, and 97.481, and wetlands under the water bank program pursuant to Minnesota Statutes, Section 105.392 or pursuant to Minnesota Statutes, Section 105.391, Subdivision 3	4,500,000
(10) For betterment of wildlife management areas, acquired pursuant to Minnesota Statutes, Sections 97.48, Subdivision 13, and 97.481	400,000
(11) For acquisition of natural and scientific areas designated pursuant to Minnesota Statutes, Section 84.033	300,000
(12) 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 Minnesota Statutes, Section 85.32	400,000
(13) For betterment of canoe and boating routes, portages, and camp sites as listed and described in Minnesota Statutes, Section 85.32	37,000
(14) For acquisition of lands to provide public access to public waters pursuant to Minnesota Statutes, Section 97.48, Subdivision 15	650,000
(15) For betterment of such public accesses to public waters pursuant to Minnesota Statutes, Section 97.48, Subdivision 15	1,089,000
(16) For independent professional services necessary for the acquisition and betterment of the lands and improvements described above. From this appropriation the commissioner may employ not to exceed 26 persons in the unclassified civil service who are in addition to the complement otherwise authorized by law for the department provided that these positions shall be used exclusively to provide only the following acquisition and development services associated with the projects of this section: landowner contract, land appraisal, appraisal review pursuant to Minnesota Statutes, Section 84.0271, landowner negotiation, land surveys, legal assistance, financial transactions, project coordination, surveys required for design, soil borings, engineering plans and specifications, contract administration and construction supervision	1,594,400

Sec. 35. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, as amended by a law enacted at the 1981 Regular Session styled as H.F. No.

1445, Article III, Section 3, 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, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a nursing home on which ad valorem taxes were not payable. "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, Subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources *other than vendor payments under the medical assistance program or the general assistance medical care program*, and the denominator of which is income as defined in subdivision 3 *plus vendor payments under the medical assistance program or the general assistance medical care program*, to determine the allowable refund pursuant to this chapter. In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 36. A law enacted at the 1981 Regular Session styled as S.F. No. 359, Section 144, Subdivision 3, is amended to read:

Subd. 3. There is appropriated from the general fund to the commissioner of labor and industry for the fiscal year indicated for the purpose of hiring six additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided in section 96; and for the purpose of hiring four additional rehabilitation personnel.

1982	1983
\$246,200	\$246,200

Additional approved complement - 6 10

Sec. 37. A law enacted at the 1981 Regular Session styled as H.F. No. 1443, Section 377, is amended to read:

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections 3.86; 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; ~~363.073, Subdivisions 1 and 2;~~ 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 38. A law enacted at the 1981 Regular Session styled as H.F. No. 1434, Section 6, is amended to read:

Sec. 6. PUBLIC UTILITIES

COMMISSION	1,064,500	1,011,300
	1,109,500	

Approved Complement - 27

\$85,000 the first year is for transfer to the special account for administrative hearing costs.

Sec. 39. A law enacted at the 1981 Regular Session styled as H.F. No. 182, Section 1, Subdivision 3, is amended to read:

Subd. 3. [APPLICABLE CHARGE.] "Applicable charge" means the amount of interest attributable to each monthly installment period of the loan contract. The applicable charge is computed as if each installment period were one month and any charge for extending the first installment period beyond one month is ignored. The applicable charge for any installment period is that which would have been made for the period had the loan been made on an interest-bearing basis at the single annual percentage rate permitted by section 11, subdivision 1, ~~paragraph (b);~~ based upon the assumption that all payments were made according to schedule. For convenience in computation, the licensee may round the single annual rate to the nearest one quarter of one percent.

Sec. 40. *Notwithstanding any provision in law enacted at the 1981 Regular Session styled as H.F. Nos. 515 and 1139 no new district court referee positions may be created but any vacancies in referee positions which position existed as of January 1, 1981 may be filled.*

Sec. 41. [EFFECT OF AMENDMENTS ON REPEALS BY THIS ACT.]

Regardless of the order of final enactment of sections 1 to 40 and the acts those sections amend or repeal, the amendments on repeals in sections 1 to 40 shall be given effect. Notwithstanding Minnesota Statutes, Section 645.34, or other law, a repeal in sections 1 to 40 of an amendatory law revives the original law as it existed before or without the amendment. Notwithstanding Minnesota Statutes, Sections 645.26, Subdivision 3, 645.33, or other law, an amendment in sections 1 to 40 shall prevail over any other act amending the same provisions of law in an irreconcilable manner.

Sec. 42. [EFFECTIVE DATE.]

This act is effective the day following final enactment. Unless otherwise provided within a section, each section of this act is effective on the effective date of the section amended by that section."

Amend the title as follows:

Page 1, line 5, delete "No." and insert "Nos."

Page 1, delete lines 6 to 9 and insert: "182, Sections 1, Subdivision 3; and 2; Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 900, Sec-

tion 4; 1125, Article II, Section 3, Subdivision 2a; 1434, Sections 1; 2, Subdivisions 4 and 6; 1443, Sections 358 and 377; 1446; Articles I, Section 2, Subdivision 5; II, Section 54; S.F. Nos. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Minnesota Statutes 1980, Sections 15.0413, Subdivision 3, as amended; 47.20, Subdivision 6a, as amended; 56.19, Subdivision 1; 60A.11, Subdivision 7; 124.11, Subdivisions 2a and 2b, as amended; 124.5624, Subdivision 3, as amended; 177.25, Subdivision 1, as amended; 216B.16, Subdivision 1b, as amended; 237.075, Subdivision 1b, as amended; 256.05, Subdivision 1; 256D.03, Subdivision 2; 260.031, Subdivision 1, as amended; 290A.03, Subdivision 8, as amended; 484.70, Subdivision 1, as amended; 595.02, as amended; Laws 1981, Chapter 59, Sections 10, Subdivision 1; 11, Subdivision 4; 15, Subdivision 1; repealing S.F. No. 876, Section 30, Subdivision 3."

The motion prevailed. So the amendment was adopted.

Mr. Davies then moved to amend S. F. No. 1382 as follows:

Strike section 34 of the Davies amendment

Renumber the sections in sequence

Amend the title amendment as follows:

Page 32, line 35, delete "900, Section 4;"

The motion prevailed. So the amendment was adopted.

Mr. Davies then moved to amend the Davies amendment to S.F. No. 1382 as follows:

Page 32, after line 14, insert:

"Sec. 40. Minnesota Statutes 1980, Section 570.02, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as S.F. No. 613, is amended to read:

Subdivision 1. [AFFIDAVIT.] To obtain the writ of attachment, the plaintiff, his agent or attorney, shall make affidavit that a cause of action exists against the defendant, specifying the amount of the claim and the ground thereof *and alleging one or more of the bases for attachment set forth in subdivision 2.*"

Renumber the sections accordingly

Correct internal references

Amend the title amendment as follows:

Page 1, after "484.70, Subdivision 1, as amended;" insert "570.02, Subdivision 1;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1382: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature; amending H.F. Nos. 182, Sections 1, Subdivision 3; and 2; Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 1125, Article II, Section 3, Subdivision 2a; 1434, Sections 1; 2, Subdivisions 4 and 6; 1443, Sections 358 and 377; 1446;

Articles I, Section 2, Subdivision 5; II, Section 54; S.F. Nos. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Minnesota Statutes 1980, Sections 15.0413, Subdivision 3, as amended; 47.20, Subdivision 6a, as amended; 56.19, Subdivision 1; 60A.11, Subdivision 7; 124.11, Subdivisions 2a and 2b, as amended; 124.5624, Subdivision 3, as amended; 177.25, Subdivision 1, as amended; 216B.16, Subdivision 1b, as amended; 237.075, Subdivision 1b, as amended; 256.05, Subdivision 1; 256D.03, Subdivision 2; 260.031, Subdivision 1, as amended; 290A.03, Subdivision 8, as amended; 484.70, Subdivision 1, as amended; 570.02, Subdivision 1; 595.02, as amended; Laws 1981, Chapter 59, Sections 10, Subdivision 1; 11, Subdivision 4; 15, Subdivision 1; repealing S.F. No. 876, Section 30, Subdivision 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knutson	Olhoft	Setzpfandt
Bang	Dieterich	Kroening	Pehler	Sieloff
Belanger	Engler	Kronebusch	Penny	Sikorski
Benson	Frank	Langseth	Peterson, C.C.	Stern
Berg	Frederick	Lantry	Peterson, D.L.	Stokowski
Berglin	Frederickson	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Hanson	Lindgren	Petty	Taylor
Bertram	Hughes	Luther	Pillsbury	Tennessee
Brataas	Humphrey	Menning	Purfeerst	Ulland
Chmielewski	Johnson	Merriam	Ramstad	Vega
Dahl	Kamrath	Moe, D. M.	Renneke	Waldorf
Davies	Keefe	Moe, R. D.	Rued	Wegener
Davis	Knoll	Nelson	Schmitz	Willet

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed 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.

Mr. Moe, D.M. introduced—

S.F. No. 1473: A bill for an act relating to retirement; establishing a uniform defined contribution public employee retirement plan; proposing new law coded as Minnesota Statutes, Chapter 356A.

Referred to the Committee on Public Employees and Pensions.

Mr. Chmielewski introduced—

S.F. No. 1474: A bill for an act relating to public employment labor relations; modifying the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

Referred to the Committee on Employment.

Messrs. Tennessen; Moe, D.M. and Petty introduced—

S.F. No. 1475: A bill for an act relating to intoxicating liquor; authorizing issuance of special off-sale wine licenses to general food stores; prohibiting a person from being licensed as both retailer and wholesaler; amending Minnesota Statutes 1980, Sections 340.07, by adding a subdivision; 340.11, Subdivisions 13 and 14; 340.13, by adding a subdivision; and 340.14, Subdivisions 1 and 3.

Referred to the Committee on Commerce.

Mr. Penny introduced—

S.F. No. 1476: A bill for an act relating to the legislature; reducing the number of senators and representatives; requiring that state legislative districts consolidate with United States congressional districts; amending Minnesota Statutes 1980, Sections 2.021 and 2.031, Subdivision 1.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. 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 that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 537 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 537: A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

Senate File No. 537 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1981

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Hughes moved that his name be stricken as chief author to S. F. No. 1197. The motion prevailed.

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Tuesday, January 12, 1982. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

COMMUNICATIONS RECEIVED SUBSEQUENT TO ADJOURNMENT

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 15, 1981

The Honorable Harry A. Sieben, Jr.
 Speaker of the House of Representatives
 The Honorable Jack Davies
 President of the Senate

I have the honor to inform you that the following enrolled Act of the 1981 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 1981	Date Filed 1981
	192	212	May 15	May 15

Sincerely,
 Joan Anderson Growe
 Secretary of State

May 18, 1981

The Honorable Harry A. Sieben, Jr.
 Speaker of the House of Representatives
 The Honorable Jack Davies
 President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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:

Due to oversight, H.F. No. 486, being Chapter 154, 1981 Session Laws, is being vacated, on advice of the Revisor's Office.

H.F. No. 486 was intended to be, and is, a Resolution (No.1) and is to be treated as such.

Please correct your records; delete Chapter 154—that number will not be used for 1981; add Resolution No. 1 (for H.F. No. 486).

Sincerely,
 Joan Anderson Growe
 Secretary of State

May 18, 1981

The Honorable Jack Davies
 President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 1106, 808, 763, 732, 662, 118, 1321, 1323, 99, 96 and 121.

Sincerely,
 Albert H. Quie, Governor

May 18, 1981

The Honorable Harry A. Sieben, Jr.
 Speaker of the House of Representatives
 The Honorable Jack Davies
 President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	14	213	May 18	May 18
	562	214	May 18	May 18
	582	215	May 18	May 18
96		216	May 18	May 18
99		217	May 18	May 18
118		218	May 18	May 18
121		219	May 18	May 18
662		220	May 18	May 18
732		221	May 18	May 18
763		222	May 18	May 18
808		223	May 18	May 18
1106		224	May 18	May 18
1321		225	May 18	May 18
1323		226	May 18	May 18

Sincerely,
 Joan Anderson Growe
 Secretary of State

REPORT FROM THE SECRETARY OF THE SENATE

May 18, 1981

The Honorable Roger D. Moe
 Chairman, Committee on Rules and Administration

Pursuant to Senate Rule 51, the following bills remaining on General Orders after adjournment on May 18, 1981, were returned to the Committees indicated:

S.F. Nos. 382 and 1218 to the Committee on Agriculture and Natural Resources.

S.F. No. 164 to the Committee on Employment.

S.F. No. 151 to the Committee on Health, Welfare and Corrections.

S.F. Nos. 70, 43, 69 and H.F. No. 403 to the Committee on Judiciary.

H.F. No. 184 to the Committee on Local Government and Urban Affairs.

S.F. Nos. 744, 738, 698, 1363, 1129 and 1156 to the Committee on Taxes and Tax Laws.

Pursuant to Joint Rule 3.02, the following bill was returned to the Committee indicated:

S.F. No. 1350 to the Committee on Governmental Operations.

Pursuant to Joint Rule 3.02, S.F. No. 452 was laid on the table and the Conference Committee of 3 members was discharged.

Patrick E. Flahaven,
Secretary of the Senate

May 19, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	2	227	May 19	May 19
	284	228	May 19	May 19
	673	229	May 19	May 19
	1190	230	May 19	May 19

Sincerely,
Joan Anderson Growe
Secretary of State

May 19, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 1174, 980, 1247 and 502.

Sincerely,
Albert H. Quie, Governor

May 21, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
502		231	May 19	May 21
980		232	May 19	May 21
1174		233	May 19	May 21
1247		234	May 19	May 21
	25	235	May 19	May 21
	161	236	May 19	May 21

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	473	237	May 19	May 21
	615	238	May 19	May 21
	696	239	May 19	May 21
	774	240	May 19	May 21
	829	241	May 19	May 21
	969	242	May 19	May 21
	1022	243	May 19	May 21
	1088	244	May 19	May 21
	1301	245	May 19	May 21

Sincerely,
Joan Anderson Growe
Secretary of State

May 20, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, Senate File No. 2.

Sincerely,
Albert H. Quie, Governor

May 21, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1981 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 1981	Date Filed 1981
2		246	May 20	May 21

Sincerely,
Joan Anderson Growe
Secretary of State

May 22, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 177, 227, 279, 903, 1043 and 1079.

Sincerely,
Albert H. Quie, Governor

May 22, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	131	247	May 21	May 22
	1065	248	May 21	May 22
177		249	May 21	May 22
227		250	May 21	May 22
279		251	May 21	May 22
903		252	May 21	May 22
1043		253	May 21	May 22
1079		254	May 21	May 22

Sincerely,
Joan Anderson Growe
Secretary of State

May 27, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 98, 17, 74, 72, 56, 34, 28, 136, 132 and 120.

Sincerely,
Albert H. Quie, Governor

May 27, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	98	255	May 27	May 27
	126	256	May 27	May 27
	157	257	May 27	May 27
	182	258	May 27	May 27
	188	259	May 27	May 27
	407	260	May 27	May 27

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	409	261	May 27	May 27
17		262	May 27	May 27
28		263	May 27	May 27
34		264	May 27	May 27
56		265	May 27	May 27
72		266	May 27	May 27
74		267	May 27	May 27
98		268	May 27	May 27
132		269	May 27	May 27
120		270	May 27	May 27
136		271	May 27	May 27

Sincerely,

Joan Anderson Growe
Secretary of State

May 27, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, Senate File No. 1370.

Sincerely,

Albert H. Quie, Governor

May 28, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 250, 188, 268, 278, 315, 338, 436, 445, 525, 533, 535, 489, 254 and 440.

Sincerely,

Albert H. Quie, Governor

May 28, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of RepresentativesThe Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	515	272	May 28	May 28
	586	273	May 28	May 28
	616	274	May 28	May 28

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	766	275	May 28	May 28
	986	276	May 28	May 28
	1044	277	May 28	May 28
	1051	278	May 28	May 28
	1052	279	May 28	May 28
	1160	280	May 28	May 28
	1163	281	May 28	May 28
	1200	282	May 28	May 28
188		283	May 28	May 28
250		284	May 28	May 28
254		285	May 28	May 28
268		286	May 28	May 28
278		287	May 28	May 28
315		288	May 28	May 28
338		289	May 28	May 28
436		290	May 28	May 28
440		291	May 28	May 28
445		292	May 28	May 28
489		293	May 28	May 28
525		294	May 28	May 28
533		295	May 28	May 28

Sincerely,

Joan Anderson Growe
Secretary of State

May 28, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1981 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 1981	Date Filed 1981
535		296	May 28	May 28

Sincerely,

Joan Anderson Growe
Secretary of State

May 29, 1981

The Honorable Jack Davies
President of the Senate

Dear Senator Davies:

Following careful review, I have decided to veto S.F. No. 650.

During the course of legislative hearings, agencies which would be affected

by provisions of the proposed legislation expressed their opposition thereto.

Adoption of the proposed legislation would result in increased costs for both the State University System and the Community College System through increased salaries for part-time faculty and in administrative costs associated with implementing provisions of S.F. No. 650. Also, it would deprive both systems of a flexible means of employing part-time faculty to meet the temporary increase in enrollments.

Finally, the legislation would establish a precedent that could be applied to other classes of part-time state employees.

Sincerely,

Albert H. Quie, Governor

Pursuant to Joint Rule 3.02, S.F. No. 650 was laid on the table.

May 29, 1981

The Honorable Jack Davies
President of the Senate

Dear Senator Davies:

Returned to you herewith and unsigned please find Senate File 728 which relates to detached banking facilities. As the bill was passed in its final form, I feel compelled to veto it.

The detached banking facility laws of the State were designed to allow each bank to provide customer banking services at two separate locations up to 25 miles from the main banking office. It is essential that these structure laws not be changed so as to provide a competitive advantage for any single bank in the State.

Senate File 728 would, in my view, provide such a competitive advantage for one bank, enabling it to establish a detached facility up to 35 miles from its main office. While the intent of the bill was to provide banking services to a certain community, the bill as enacted does not address a specific location and essentially allows the bank in question to expand to any location within 35 miles. The fact that there are four other banks located within 35 miles of the location in question would result in discrimination against these banks if this bill is allowed to become law.

This bill would establish a dangerous precedent of designing structure laws that provide a competitive advantage for one bank. Bank structure laws should be so designed as to benefit the entire State and should apply to all communities and banks, not just one bank. For this reason, I must reject this special franchise and veto this legislation.

Sincerely yours,

Albert H. Quie, Governor

Pursuant to Joint Rule 3.02, S.F. No. 728 was laid on the table.

May 29, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 179, 393, 400, 470,

476, 574, 595, 649, 655, 660, 665, 674, 690, 767, 804, 830, 886, 890, 915, 964, 1005, 1074, 1126, 1188, 1212 and 1265.

Sincerely,

Albert H. Quie, Governor

June 1, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	247	297	May 29	May 29
	295	298	May 29	May 29
	305	299	May 29	May 29
	477	300	May 29	May 29
	487	301	May 29	May 29
	591	302	May 29	May 29
	691	303	May 29	May 29
	900	304	May 29	May 29
	936	305	May 29	May 29
	1005	306	May 29	May 29
	1048	307	May 29	May 29
179		308	May 29	May 29
393		309	May 29	May 29
400		310	May 29	May 29
470		311	May 29	May 29
476		312	May 29	May 29
574		313	May 29	May 29
595		314	May 29	May 29
649		315	May 29	May 29
655		316	May 29	May 29
660		317	May 29	May 29
665		318	May 29	May 29
690		319	May 29	May 29
767		320	May 29	May 29
804		321	May 29	May 29
830		322	May 29	May 29
886		323	May 29	May 29
890		324	May 29	May 29
915		325	May 29	May 29
964		326	May 29	May 29
1005		327	May 29	May 29
1074		328	May 29	May 29
1126		329	May 29	May 29
1188		330	May 29	May 29
1212		331	May 29	May 29
1265		332	May 29	May 29
	79	333	May 29	May 29

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	493	334	May 29	May 29
1370		Resolution 2	May 27	May 27
674		Resolution 3	May 29	May 29

Sincerely,

Joan Anderson Growe
Secretary of State

June 1, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 31, 359, 1040, 1154, 1132, 537, 539, 937, 513 and 975.

Sincerely,

Albert H. Quie, Governor

June 1, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, Senate File No. 1084.

Sincerely,

Albert H. Quie, Governor

June 1, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 694, 939 and 1164.

Sincerely,

Albert H. Quie, Governor

June 2, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of RepresentativesThe Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	321	335	June 1	June 1
	396	336	June 1	June 1
	697	337	June 1	June 1
	769	338	June 1	June 1
	817	339	June 1	June 1
	826	340	June 1	June 1
	968	341	June 1	June 1
	1125	342	June 1	June 1
	1143	343	June 1	June 1
	1210	344	June 1	June 1
31		345	June 1	June 1
359		346	June 1	June 1
513		347	June 1	June 1
537		348	June 1	June 1
539		349	June 1	June 1
937		350	June 1	June 1
975		351	June 1	June 1
1040		352	June 1	June 1
1132		353	June 1	June 1
1154		354	June 1	June 1

Sincerely,
 Joan Anderson Growe
 Secretary of State

June 2, 1981

The Honorable Harry A. Sieben, Jr.
 Speaker of the House of Representatives
 The Honorable Jack Davies
 President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	3	355	June 1	June 1
	1443	356	June 1	June 1
	1434	357	June 1	June 1
	70	358	June 1	June 1
	1421	359	June 1	June 1
	1446	360	June 1	June 1
	1475	361	June 1	June 1
	1474	362	June 1	June 1
	553	363	June 1	June 1
939		364	June 1	June 1
694		365	June 1	June 1
1164		366	June 1	June 1
	1253	367	June 1	June 1
1084		368	June 1	June 1

Sincerely,
 Joan Anderson Growe
 Secretary of State

PROTEST AND DISSENT

Pursuant to the provisions of Article IV, Section 11, of the Minnesota Constitution, the undersigned request that this following protest and dissent be entered into the pages of the Journal of the Senate.

The undersigned members of the Senate dissent and protest the Senate Education Committee action on Senate File No. 150 (House File No. 70) for the following reasons:

1. Contrary to the rules of the Minnesota Senate for the 72nd Legislature, and contrary to the practice of the Senate, the DFL Majority allowed meetings of the Senate Education Committee on April 27th and 28th while the Senate was in session. Rule 21 provides that "committees shall not be absent from the Senate without permission of the Senate. The names of the members excused shall be printed in the Journal". Further, Mason's Manual of Legislative Procedure, Section 628, Paragraphs 1 and 2, set forth the proper parliamentary procedures to govern the calling of committee meetings while a body is in session. All of the above procedures were disregarded by the Chairman of the Senate Education Committee as well as members of the majority caucus in the Senate.
2. The DFL became the Majority in the Senate following an election based on the theme of "openness in government". There can be no openness in the legislative process unless committee meetings are open to the public. The rules of the Minnesota Senate for the 72nd Legislature provide for open meetings and seek at least three calendar days' notice of committee meetings. In violation of the spirit of Senate Rule 58, a Senate Education Committee meeting was called by its Chairman with less than 15-minute notice to members of the Minority caucus on April 28th, for 9:50 p.m. while the Senate was in session.
3. In further violation of the DFL so-called "openness in government standards", the Chairman of the Education Aids Subcommittee offered a \$126 million amendment to Senate File No. 150. That "amendment" was simply a one-page outline of issues and costs. The form of the amendment was in violation of Rule 38 of the Rules of the Senate, which states "In drawing an amendment to a bill or resolution, reference shall be made therein, first to the number of the bill, then to the page, and then to the line or lines from which matter is to be stricken or in which new matter is to be inserted".
4. What the undersigned members of this Dissent and Protest find repugnant and in complete disregard for any democratic process, is that the Senate Education Committee adopted a far-reaching amendment that was drafted in its final form by staff after adjournment of the April 28th meeting during which Senate File No. 150 was recommended to pass. The Senate should reject this as a totally unacceptable manner of operation and adopt amendments to prevent any recurrence of such procedures.

Legislative bodies are governed by constitutional restraints, by law and by their own rules. We, the undersigned, believe the actions taken by the Senate Education Committee Chairman, and condoned by the DFL Majority caucus, violated the spirit of the Constitution and the laws of the state of Minnesota.

Further, the Majority group has violated express provisions of the rules they adopted to govern the Senate.

We wish to make these unfair and undemocratic practices and our dissent to

them a matter of public record to be called to the attention of the people of Minnesota. For these reasons, this dissent is entered upon the pages of the Senate Journal.

(Signed):

Steve Lindgren
 Duane D. Benson
 Earl W. Renneke
 James Ulland
 Jim Ramstad
 Darrel L. Peterson
 Charles A. Berg
 Steve Engler
 Howard A. Knutson
 William V. Belanger, Jr.
 George S. Pillsbury

Dave Rued
 John Bernhagen
 Mel Frederick
 Glen Taylor
 Robert O. Ashbach
 Patricia Louise Kronebusch
 Ron Sieloff
 Dennis Frederickson
 Otto T. Bang, Jr.
 Nancy Brataas
 John B. Keefe

June 4, 1981

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

The Honorable Jack Davies
 President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981	Date Filed 1981
	386	369	June 4	June 4
	732	370	June 4	June 4

Sincerely,
 Joan Anderson Growe
 Secretary of State

July 22, 1981

Mr. Patrick E. Flahaven
 Secretary of the Senate

This is to advise you that Senator Randy P. Kamrath has been given the following committee assignments, effective July 21, 1981:

- Transportation
- Local Government and Urban Affairs
- Energy and Housing

Also, the following appointments were made to the commissions/task forces listed, by the Subcommittee on Committees, effective July 21, 1981:

Legislative Commission on Metropolitan Governance - Messrs. Wegener, Knoll, Belanger, Schmitz and Frank.

Advisory Task Force on Independent Living - Messrs. Benson and Menning.

State Advisory Task Force on Epilepsy - Messrs. Solon, Knutson and Mrs. Lantry.

Highway Policy Study Commission - Messrs. Purfeerst; Bang; Ramstad; Peterson, D.L.; Peterson, R.W.; Menning and Mrs. Lantry.

Sincerely,

Roger D. Moe, Chairman
Subcommittee on Committees

July 22, 1981

The Honorable Roger D. Moe, Chairman
Subcommittee on Committees

Dear Sir:

Laws 1981, Chapter 287 requires the President of the Senate to appoint two members to the Joint Commuter Rail Study Commission.

Accordingly, I do hereby appoint the following:

Messrs. Davis and Pehler.

Yours truly,

Jack Davies
President of the Senate

JOURNAL
OF THE
SENATE

STATE OF MINNESOTA

SEVENTY-SECOND LEGISLATURE

FIRST SPECIAL SESSION

1981

STATE OF MINNESOTA

Journal of the Senate

FIRST SPECIAL SESSION

FIRST DAY

St. Paul, Minnesota, Saturday, June 6, 1981

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

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

The Secretary called the roll by legislative districts in numerical order, and the following Senators answered to their names:

First District	Marv Hanson
Second District	Roger D. Moe
Third District	Bob Lessard
Fourth District	Gerald L. Willet
Fifth District	Ronald R. Dicklich
Sixth District	Douglas J. Johnson
Seventh District	Sam G. Solon
Eighth District	James Ulland
Ninth District	Keith Langseth
Tenth District	Collin C. Peterson
Eleventh District	Wayne Olhoft
Twelfth District	Myrton O. Wegener
Thirteenth District	Dave Rued
Fourteenth District	Florian Chmielewski
Fifteenth District	Charles A. Berg
Sixteenth District	Joe Bertram
Seventeenth District	James C. Pehler
Eighteenth District	Charles R. Davis
Nineteenth District	Randolph W. Peterson
Twentieth District	Randy P. Kamrath
Twenty-first District	A. O. H. Setzpfandt
Twenty-second District	John Bernhagen
Twenty-third District	Earl W. Renneke
Twenty-fourth District	Clarence M. Purfeerst
Twenty-fifth District	Steve Engler
Twent-sixth District	Marion (Mike) Menning
Twenty-seventh District	Darrel L. Peterson
Twenty-eighth District	Dennis Frederickson
Twenty-ninth District	Glen Taylor
Thirtieth District	Timothy J. Penny
Thirty-first District	Tom A. Nelson
Thirty-second District	Mel Frederick

Thirty-third District	Nancy Brataas
Thirty-fourth District	Patricia Louise Kronebusch
Thirty-fifth District	Duane D. Benson
Thirty-sixth District	Robert J. Schmitz
Thirty-seventh District	Steve Lindgren
Thirty-eighth District	William V. Belanger, Jr.
Thirty-ninth District	Otto T. Bang, Jr.
Fortieth District	John B. Keefe
Forty-first District	
Forty-second District	George S. Pillsbury
Forty-third District	Jim Ramstad
Forty-fourth District	Hubert H. Humphrey, III
Forty-fifth District	William P. Luther
Forty-sixth District	Don Frank
Forty-seventh District	Gene Merriam
Forty-eighth District	Robert O. Ashbach
Forty-ninth District	Gregory L. Dahl
Fiftieth District	Jerome M. Hughes
Fifty-first District	Gerry Sikorski
Fifty-second District	Conrad M. Vega
Fifty-third District	Howard A. Knutson
Fifty-fourth District	Carl W. Kroening
Fifty-fifth District	Anne K. Stokowski
Fifty-sixth District	Robert J. Tennessen
Fifty-seventh District	Allan H. Spear
Fifty-eighth District	Eric D. Petty
Fifty-ninth District	Linda Berglin
Sixtieth District	Jack Davies
Sixty-first District	Franklin J. Knoll
Sixty-second District	Neil Dieterich
Sixty-third District	Ron Sieloff
Sixty-fourth District	Peter P. Stumpf
Sixty-fifth District	Donald M. Moe
Sixty-sixth District	Gene Waldorf
Sixty-seventh District	Marilyn M. Lantry

The President declared a quorum present.

STATE OF MINNESOTA
PROCLAMATION

WHEREAS: The Seventy-Second Legislature adjourned without enacting essential legislation to provide for the orderly financial management of state government and to raise revenues to fund the operations of the government and programs for which monies have been legislatively appropriated; and

WHEREAS: The time permitted by law for passage of such legislation during the 1981 Session of the Legislature has expired, and an extraordinary occasion is thereby created; and

WHEREAS: Article IV, Section 12 of the Constitution of the State of Minnesota provides that a special session of the Legislature may be called on extraordinary occasions;

NOW, THEREFORE, I, Albert H. Quie, Governor of the State of Minnesota, do hereby summon you, members of the Legislature, to convene in Special Session on Saturday, June 6, 1981, at 9:00 in the forenoon at the Capitol in Saint Paul, Minnesota.

It is my belief that the interests of the people of Minnesota will be best served

if the Legislature confines its work during the Special Session to passage of those items of legislation which have been agreed upon by legislative leaders of both parties and myself. I hope that this work will be completed as expeditiously as possible.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed this fourth day of June in the year of our Lord one thousand nine hundred eighty-one, and of the State the one hundred twenty-third.

Albert H. Quie,
Governor

Joan Anderson Growe,
Secretary of State

MEMBERS EXCUSED

Mr. Stern was excused from the Session of today.

Without objection, the Senate proceeded to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. introduced—

Senate Resolution No. 1: A Senate resolution relating to organization and operation of the Senate during the Special Session.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Senate is organized pursuant to Minnesota Statutes 1980, Sections 3.073 and 3.103.

The Rules of the Senate for the 72nd Legislature shall be the Rules for the Special Session, except that Rules 33, 40 and 57 shall not be operative other than as provided herein.

The Committee on Rules and Administration is established in the same manner and with the same powers as pertained in the 72nd Legislature.

With respect to Rule 31, Reconsideration, a notice of intention to move for reconsideration shall not be in order, but a motion to reconsider may be made, and when made shall have priority over other business except a motion to adjourn.

Mr. Moe, R.D. 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Frederickson	Kronebusch	Nelson
Bang	Dahl	Hanson	Lantry	Olhoft
Belanger	Davies	Hughes	Lessard	Penny
Benson	Davis	Humphrey	Lindgren	Peterson, C.C.
Berg	Dicklich	Johnson	Luther	Peterson, D.L.
Berglin	Dieterich	Kamrath	Menning	Peterson, R.W.
Bernhagen	Engler	Keefe	Merriam	Petty
Bertram	Frank	Knoll	Moe, D. M.	Pillsbury
Brataas	Frederick	Knutson	Moe, R. D.	Purfeerst

Ramstad	Setzepfandt	Spear	Taylor	Vega
Renneke	Sikorski	Stokowski	Tennessee	Waldorf
Rued	Solon	Stumpf	Ulland	Willet
Schmitz				

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced—

Senate Resolution No. 2: A Senate resolution relating to notifying the House of Representatives and the Governor that the Senate is organized.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Secretary of the Senate shall notify the House of Representatives and the Governor that the Senate is now duly organized pursuant to the Minnesota Constitution and Minnesota Statutes.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Remaining on the Order of Business of Motions and Resolutions, the Senate proceeded 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.

Mr. Hanson introduced—

S.F. No. 1: A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature in the 1981 Regular Session; authorizing the establishment of certain detached banking facilities; extending the availability of a certain appropriation; authorizing changing of certain precinct boundaries; abolishing the office of court referee and court commissioner; providing for the continuance of certain referee and court commissioner positions; regulating natural gas service to customers in certain cities; defining "city" for the purpose of participation in municipal power agencies; extending the powers of a city to make loans under a municipal housing program; extending the availability of a certain appropriation; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.0413, Subdivision 3, as amended; 15.052, Subdivision 3, as amended; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 15A.081, Subdivision 1, as amended; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.68; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 56.19, Subdivision 1, as amended; 60A.11, Subdivision 7; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 124.11, Subdivisions 2a and 2b,

as amended; 124.5624, Subdivision 3, as amended; 144.125; 144.653, Subdivision 4; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 162.09, Subdivision 1, as amended; 168.013, Subdivisions 1c and 1e, as amended; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 177.25, Subdivision 1, as amended; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 204A.06, Subdivision 1; 216B.16, Subdivision 1b, as amended; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.075, Subdivision 1b, as amended; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.05, Subdivision 1, as amended; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256.73, Subdivision 2, as amended; 256B.15; 256D.03, Subdivision 2, as amended; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.031, Subdivision 1, as amended; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 453.52, Subdivision 3; 462C.05, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 484.70, Subdivision 1, as amended, and by adding subdivisions; 485.14; 487.08, Subdivisions 2 and 3; 489.01; 508.37, by adding a subdivision; 518.155; 518.66; 595.02, as amended; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; proposing new law coded in Chapter 216B; amending Laws enacted in the 1981 Regular Session styled as H.F. Nos. 182, Section 1, Subdivision 3, Section 2, and Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 553, Section 44, Subdivision 4, and Section 55, Subdivision 3; 900, Section 4; 1005, Section 21; 1125, Article II, Section 3, Subdivision 2a; 1421, Section 2, Subdivisions 1 and 6; 1434, Section 1, Section 2, Subdivision 4, Section 3, Section 4, Section 5, Subdivisions 1 and 4, and Section 6; 1443, Sections 1, 3, 6, 23, 28, 30, 32 and 377; 1446, Article I, Section 2, Subdivision 5, Section 7, Article II, Section 54; 1475, Section 4, Subdivision 4; S.F. Nos. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Laws 1980, Chapter 614, Section 163; Laws 1981, Chapters 29, Article IV, Section 14, Subdivision 5; 59, Section 10, Subdivision 1, Section 11, Subdivision 4, and Section 15, Subdivision 1; 183, Section 2; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes

1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; 525.04; 508.37, Subdivision 1; Laws 1978, Chapter 750, Section 6; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8; laws enacted at the 1981 Regular Session styled as S.F. Nos. 359, Section 8; 876, Section 30, Subdivision 3; and H.F. No. 1443, Sections 181, 270, 271, and 358.

Mr. Hanson moved that S. F. No. 1 be laid on the table. The motion prevailed.

Messrs. Ashbach and Johnson introduced—

S.F. No. 2: A bill for an act relating to the financing of state government; authorizing a deficit in the first year of a biennium; amending Minnesota Statutes 1980, Section 16A.15, Subdivision 1, as amended.

SUSPENSION OF RULES

Mr. Ashbach moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 2 and that the rules of the Senate be so far suspended as to give S. F. No. 2 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 2 was read the second time.

S. F. No. 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 34 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Frederickson	Lantry	Pillsbury	Solon
Bang	Hanson	Lessard	Ramstad	Spear
Belanger	Johnson	Lindgren	Renneke	Taylor
Benson	Kamrath	Moe, D. M.	Rued	Ulland
Bernhagen	Keefe	Moe, R. D.	Schmitz	Vega
Chmielewski	Knutson	Peterson, D. L.	Setzpfandt	Wegener
Engler	Kronebusch	Petty	Sieloff	

Those who voted in the negative were:

Berg	Dicklich	Kroening	Pehler	Stumpf
Berglin	Dieterich	Langseth	Penny	Tennessee
Bertram	Frank	Luther	Peterson, C. C.	Waldorf
Brataas	Frederick	Menning	Peterson, R. W.	Willet
Dahl	Hughes	Merriam	Purfeerst	
Davies	Humphrey	Nelson	Sikorski	
Davis	Knoll	Olhoff	Stokowski	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Hanson moved that S. F. No. 1 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Hanson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 1 and that the rules of the Senate be so far suspended as to give S. F. No. 1 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 1 was read the second time.

Mr. Hanson moved to amend S. F. No. 1 as follows:

Page 65, delete section 10

Page 67, line 17, delete "12" and insert "11"

Page 67, delete sections 14 and 15

Page 68, delete line 2

Page 68, line 3, delete "Section 16" and insert "This section"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 9

Page 1, line 10, delete "banking facilities;"

Page 1, line 15, delete everything after the semicolon

Page 1, line 16, delete "in certain cities;"

Page 2, lines 58 and 59, delete "proposing new law coded in Chapter 216B;"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S. F. No. 1 as follows:

Page 102, line 3, delete "\$632,906,200 \$717,100,300 \$1,350,589,209" and insert "\$632,906,300 \$717,100,400 \$1,350,589,409"

The motion prevailed. So the amendment was adopted.

Mr. Purfeerst moved to amend S. F. No. 1 as follows:

Pages 118 to 122, delete sections 60 and 61 and insert:

"Sec. 60. A law enacted at the 1981 Regular Session, styled as H. F. No. 1434, Sections 51 and 53, is repealed."

Page 131, line 7, delete "69" and insert "68"

Page 131, lines 8, 10, and 13, delete "67" and insert "66"

Page 152, after line 8, insert:

"Sec. 60. Explanation. Purely technical in order to assist the revisor in codification of new base rate schedule."

Renumber the sections in sequence

Amend the title as follows:

Page 2, line 5, delete everything after the first semicolon

Page 2, line 6, delete everything before "173.12"

Page 3, line 23, after "3;" insert "H. F. No. 1434, Sections 51 and 53;"

The motion prevailed. So the amendment was adopted.

Mr. Kroening moved to amend S. F. No. 1 as follows:

Page 62, line 35, after the period, insert "*During a year ending in one, the council of each home rule charter city which elects councilmen by wards and which has a city election in the year ending in one may change precinct boundaries for the purpose of reapportioning wards. As soon as possible after legislative apportionment, cities shall rearrange the precincts so that no precinct lies in more than one legislative district.*"

The motion prevailed. So the amendment was adopted.

RECESS

Mr. Hanson 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. Hanson imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

The question recurred on S. F. No. 1.

Mr. Tennessen moved to amend S. F. No. 1 as follows:

Page 93, line 31, after "*positions*" insert "*in the second judicial district*"

Page 93, line 31, delete "*position*"

The motion prevailed. So the amendment was adopted.

Mr. Chmielewski moved to amend S.F. No. 1 as follows:

Page 96, after line 15, insert:

"Sec. 44. Laws 1981, Chapter 82, is amended by adding a section to read:

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective June 6, 1981."

Page 131, line 7, delete "69" and insert "70"

Page 131, lines 8, 10, and 13, delete "67" and insert "68"

Renumber the sections in sequence

Amend the title as follows:

Page 3, line 5, after the first semicolon, insert "82, by adding a section;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1 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:

Ashbach	Dicklich	Knoll	Nelson	Sikorski
Bang	Dieterich	Knutson	Othoft	Solon
Belanger	Engler	Kroening	Penny	Spear
Berg	Frank	Kronebusch	Peterson, D.L.	Stokowski
Berglin	Frederick	Langseth	Peterson, R.W.	Stumpf
Bernhagen	Frederickson	Lantry	Petty	Taylor
Bertram	Hanson	Lessard	Pillsbury	Tennessee
Brataas	Hughes	Lindgren	Purfeerst	Ulland
Chmielewski	Humphrey	Luther	Rued	Vega
Dahl	Johnson	Merriam	Schmitz	Waldorf
Davis	Kamrath	Moe, D. M.	Setzepfandt	Wegener
Davis	Keefe	Moe, R. D.	Sieloff	Willet

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 of Representatives of the State of Minnesota is now duly organized for the 1981 Special Session pursuant to law.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted June 6, 1981

Mr. President:

I have the honor to announce the passage by the House of the following 1981 Special Session House File, herewith transmitted:

H. F. No. 1: A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin and the city of Brainerd to hold land for future development; increasing the rate of interest payable on delinquent taxes; limiting property tax refund payments to certain claimants; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; imposing a temporary increase in the sales tax; exempting sales of farm machinery from the increase; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an

accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; requiring notice of state bond sales; validating rules of the state board of assessors; providing for accrediting of certain assessors; eliminating unnecessary language concerning a property tax exemption for cheese; clarifying an occupation tax credit; providing for distribution of proceeds of the taconite production tax; providing for certain credits; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance projects located in the cities of New Brighton and Shoreview; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds; amending Minnesota Statutes 1980, Sections 16A.66, by adding a subdivision; 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.115, Subdivisions 1, 2, and 3; 273.116, Subdivisions 1 and 2; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d and 3g; 290.08, by adding a subdivision; 290.09, Subdivision 15; 290.17, Subdivision 2; 290.18, by adding a subdivision; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 297A.01, Subdivision 3 and by adding a subdivision; 297A.02; 297A.03, Subdivision 2; 297A.14; 297A.24; 297A.25, Subdivision 1; 297B.08; 297B.09; 298.031, Subdivisions 2 and 3; 298.225; 298.24, Subdivision 3; 298.28, Subdivisions 1 and 2; 298.75, Subdivisions 1, 2 and 3; 298.76; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 458.14; 473.626; 477A.03; and 477A.04, Subdivision 2; Laws 1975, Chapter 226, Section 4, as amended; Laws 1980, Chapter 607, Article V, Section 5; and Laws 1981, Chapters 356, Section 377; and 357, Section 5, Subdivision 6;

proposing new law coded in Minnesota Statutes, Chapters 38; 273; and 477A; repealing Minnesota Statutes 1980, Sections 273.135, Subdivision 4; 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; 477A.01; and Laws 1981, Chapter 357, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98 and 99.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted June 6, 1981

FIRST READING OF HOUSE BILLS

H. F. No. 1 was read the first time.

SUSPENSION OF RULES

Mr. Johnson 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. 1 and that the rules of the Senate be so far suspended as to give H. F. No. 1 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1 was read the second time.

Mr. Wegener moved to amend H. F. No. 1 as follows:

Page 113, delete section 21

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 2, line 67, delete "340.621;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 40, as follows:

Those who voted in the affirmative were:

Benson	Dahl	Frederick	Menning	Tennessee
Berg	Davies	Keefe	Moe, D. M.	Wegener
Berglin	Davis	Knutson	Peterson, D. L.	
Bernhagen	Dieterich	Kronebusch	Peterson, R. W.	
Bertram	Engler	Lindgren	Petty	
Brataas	Frank	Luther	Spear	

Those who voted in the negative were:

Ashbach	Humphrey	Merriam	Purfeerst	Solon
Bang	Johnson	Moe, R. D.	Ramstad	Stokowski
Belanger	Kamrath	Nelson	Renneke	Stumpf
Chmielewski	Knoll	Olhoft	Rued	Taylor
Dicklich	Kroening	Pehler	Schmitz	Ulland
Frederickson	Langseth	Penny	Setzepfandt	Vega
Hanson	Lantry	Peterson, C. C.	Sieloff	Waldorf
Hughes	Lessard	Pillsbury	Sikorski	Willet

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

H. F. No. 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 40 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Humphrey	Lessard	Pehler	Stumpf
Bang	Johnson	Luther	Peterson, R. W.	Taylor
Berglin	Kamrath	Menning	Pillsbury	Tennessee
Bernhagen	Keefe	Merriam	Purfeerst	Ulland
Chmielewski	Knoll	Moe, D. M.	Renneke	Vega
Dieterich	Knutson	Moe, R. D.	Setzepfandt	Waldorf
Hanson	Langseth	Nelson	Sikorski	Wegener
Hughes	Lantry	Olhoft	Spear	Willet

Those who voted in the negative were:

Belanger	Davies	Frederickson	Peterson, D. L.	Solon
Benson	Davis	Kroening	Petty	Stokowski
Berg	Dicklich	Kronebusch	Ramstad	
Bertram	Engler	Lindgren	Rued	
Brataas	Frank	Penny	Schmitz	
Dahl	Frederick	Peterson, C. C.	Sieloff	

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 the passage by the House of the following 1981 Special Session House File, herewith transmitted:

H. F. No. 2: A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; increasing foundation aid, transportation aid, and special education aid to school districts; increasing aid for scholarships and private college contracts; increasing medical assistance for nursing home residents and others; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; conforming income tax deductions for medical expenses to federal law; amending Minnesota Statutes 1980, Section 124.223, as amended; 124.225, Subdivision 6, as amended; 124.32, Subdivisions 1 and 1a, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 290.067, Subdivision 2; and 290.09, Subdivision 10; amending Laws 1981, Chapter 358, Article I, Section 21, Subdivision 1; Article I, Section 45; Article II, Section 15, Subdivision 2; and Chapter 360, Article II, Section 2.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted June 6, 1981

FIRST READING OF HOUSE BILLS

H. F. No. 2 was read the first time.

RECONSIDERATION

Mr. Moe, R. D. moved that the vote whereby H. F. No. 1 was passed by the Senate on June 6, 1981, be now reconsidered.

Mr. Moe, R. D. moved that the motion to reconsider the vote on H. F. No. 1 be laid on the table. The motion prevailed.

The question recurred on H. F. No. 2.

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. 2 and that the rules of the Senate be so far suspended as to give H. F. No. 2 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 2 was read the second time.

RECESS

Mr. Moe, R.D. 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. Moe, R. D. imposed a call of the Senate, for the balance of the proceedings on H. F. No. 1. The Sergeant at Arms was instructed to bring in the absent members.

RECONSIDERATION

Mr. Moe, R.D. moved that the motion to reconsider the vote on H. F. No. 1 be taken from the table. The motion prevailed.

The question was taken on the adoption of the motion to reconsider the vote on H. F. No. 1.

The roll was called, and there were yeas 41 and nays 21, as follows:

Those who voted in the affirmative were:

Bertram	Humphrey	Luther	Peterson, R.W.	Tennesen
Chmielewski	Johnson	Menning	Petty	Vega
Dahl	Keefe	Merriam	Purfeerst	Waldorf
Davies	Knoll	Moe, R. D.	Schmitz	Wegener
Davis	Knutson	Nelson	Sikorski	Willet
Dieterich	Kroening	Olhoff	Solon	
Frank	Langseth	Pehler	Spear	
Hanson	Lantry	Penny	Stokowski	
Hughes	Lessard	Peterson, C.C.	Stumpf	

Those who voted in the negative were:

Ashbach	Bernhagen	Kamrath	Ramstad	Ulland
Bang	Brataas	Kronebusch	Renneke	
Belanger	Engler	Lindgren	Rued	
Benson	Frederick	Peterson, D.L.	Sieloff	
Berg	Frederickson	Pillsbury	Taylor	

The motion prevailed.

The question was taken on the passage of H. F. No. 1.

The roll was called, and there were yeas 41 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Humphrey	Luther	Pillsbury	Ulland
Bang	Johnson	Menning	Purfeerst	Vega
Bernhagen	Kamrath	Merriam	Renneke	Waldorf
Brataas	Keefe	Moe, D. M.	Setzepfand	Wegener
Chmielewski	Knoll	Moe, R. D.	Sikorski	Willet
Dieterich	Knutson	Nelson	Spear	
Frederick	Langseth	Olhoft	Stumpf	
Hanson	Lantry	Pehler	Taylor	
Hughes	Lessard	Peterson, R. W.	Tennessee	

Those who voted in the negative were:

Belanger	Davies	Frederickson	Peterson, C. C.	Schmitz
Benson	Davis	Kroening	Peterson, D. L.	Sieloff
Berg	Dicklich	Kronebusch	Petty	Solon
Bertram	Engler	Lindgren	Ramstad	Stokowski
Dahl	Frank	Penny	Rued	

So the bill passed and its title was agreed to.

The question recurred on H. F. No. 2.

CALL OF THE SENATE

Mr. Willet imposed a call of the Senate for the balance of the proceedings on H. F. No. 2. The Sergeant at Arms was instructed to bring in the absent members.

H. F. No. 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Peterson, C. C.	Spear
Bang	Engler	Langseth	Peterson, D. L.	Stokowski
Belanger	Frank	Lantry	Peterson, R. W.	Stumpf
Benson	Frederick	Lessard	Petty	Taylor
Berg	Frederickson	Lindgren	Pillsbury	Tennessee
Berglin	Hanson	Luther	Purfeerst	Ulland
Bernhagen	Hughes	Menning	Ramstad	Vega
Bertram	Humphrey	Merriam	Renneke	Waldorf
Brataas	Johnson	Moe, D. M.	Rued	Wegener
Chmielewski	Kamrath	Moe, R. D.	Schmitz	Willet
Dahl	Keefe	Nelson	Setzepfand	
Davies	Knoll	Olhoft	Sieloff	
Davis	Knutson	Pehler	Sikorski	
Dicklich	Kroening	Penny	Solon	

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 the passage by the House of the following 1981 Special Session House File, herewith transmitted:

H. F. No. 3: A bill for an act relating to the financing of state and local government; rescheduling certain payment dates; providing for deduction of federal income tax on the accrual basis; requiring declaration and estimated payment of gross earnings taxes by telephone and telegraph companies; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 15a; 273.136, Subdivision 3; 290.09, Subdivision 4; 290.10; 290.18, Subdivision 2; 290.37, Subdivision 3; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 477A.13; proposing new law coded in Chapters 295, and 477A.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted June 6, 1981

FIRST READING OF HOUSE BILLS

H. F. No. 3 was read the first time.

SUSPENSION OF RULES

Mr. Keefe 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. 3 and that the rules of the Senate be so far suspended as to give H. F. No. 3 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 3 was read the second time.

H. F. No. 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 34 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Frederickson	Knutson	Peterson, C.C.	Sieloff
Bang	Hanson	Lessard	Pillsbury	Sikorski
Bernhagen	Hughes	Lindgren	Purfeerst	Solon
Brataas	Humphrey	Menning	Ramstad	Stokowski
Chmielewski	Johnson	Moe, D. M.	Renneke	Ulland
Dicklich	Kamrath	Moe, R. D.	Schmitz	Wegener
Frederick	Keefe	Nelson	Setzpfandt	

Those who voted in the negative were:

Belanger	Davis	Langseth	Peterson, D.L.	Tennesen
Benson	Dieterich	Lantry	Peterson, R.W.	Vega
Berg	Engler	Luther	Petty	Waldorf
Berglin	Frank	Merriam	Rued	Willet
Bertram	Knoll	Olhoft	Spear	
Dahl	Kroening	Pehler	Stumpf	
Davies	Kronebusch	Penny	Taylor	

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 the passage by the House of the following 1981 Special Session Senate Files, herewith returned: S. F. Nos. 1 and 2.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned June 6, 1981

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 2:30 p.m. The motion prevailed.

The hour of 2:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Willet imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. introduced—

Senate Resolution No. 3: A Senate resolution relating to adjournment of the 1981 Special Session.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Secretary of the Senate shall notify the Governor and the House of Representatives that the Senate is about to adjourn the Special Session sine die.

The Secretary of the Senate may correct and approve the Journal of the Senate for the Special Session of 1981.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

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 of Representatives is about to adjourn the 1981 Special Session sine die.

Edward A. Burdick, Chief Clerk, House of Representatives

June 6, 1981

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Messrs. Tennessen, Davies, Petty and Sieloff introduced—

Senate Resolution No. 4: A Senate resolution commending the members and staff of the advisory task force on Minnesota corporation law for their work on the Minnesota business corporations act.

WHEREAS, the advisory task force on Minnesota corporation law was formed in May, 1979 for the purpose of undertaking a systematic study of the business corporation laws of this state and other jurisdictions and developing comprehensive proposals for legislative action to cure the inadequacies of present law; and

WHEREAS, after exhaustive research and analysis the task force submitted its proposals for revising and modernizing this body of law to the Minnesota Legislature; and

WHEREAS, the Minnesota Legislature, with the aid of the task force's recommendations, enacted a major revision and modernization of the business corporation laws of the state during the 1981 legislative session; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that the following task force members and staff be commended for their thoughtful analysis and comprehensive proposals for revision and modernization, and that the sincere appreciation of the Senate be extended to each person for the effort put forth in the work of the task force:

John S. Hibbs, Robert W. Boyd, Richard J. FitzGerald, Avron L. Gordon, William J. Hay, Paul A. Magnuson, Robert A. Minish, Lawrence Perlman, Robert J. Sefkow, Ralph Strangis, Burt E. Swanson, Tom Togas, Robert B. Whitlock, Bert Black, Amy A. Anderson, Paul C. Dorn, Philip Finkelstein, Karmen Nelson, Peter S. Wattson, Mark Winkler, Sue Halverson, Randy Sayers, Tracy Godfrey, Daniel W. Hardy, Earl F. Colborn, Jr., Thomas D. Feinberg, George P. Flannery, Gerald T. Flom, James B. Lund, Prof. Joseph E. Olson, Henry J. Savelkoul, Richard G. Lareau, Thomas M. Brown, Charlton Dietz, D. William Kaufman, Robert J. Johnson, Gerald E. Magnuson, James T. Hale, Jerry F. Rotman, Neil I. Sell, Sherman Winthrop, Michael Prichard, Paul J. Scheerer, Paul M. Torgerson, William F. Archerd, Patrick J. Delaney, William T. Dolan, Glenn R. Kessel, Logan Langworth, John R. Larson, Archibald C. Spencer.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of the resolution, authenticated by his signature and that of the President of the Senate, and it be presented to each task force member and staff person.

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

Mr. Moe, R.D. moved that the Senate do now adjourn sine die. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

COMMUNICATIONS RECEIVED SUBSEQUENT TO ADJOURNMENT

EXECUTIVE AND OFFICIAL COMMUNICATIONS

June 6, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, First Special Session S.F. Nos. 1 and 2.

Sincerely,
Albert H. Quie, Governor

June 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives
The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 First Special Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	First Special Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	1	1	June 6	June 8
	2	2	June 6	June 8
	3	3	June 6	June 8
1		4	June 6	June 8
2		5	June 6	June 8

Sincerely,
Joan Anderson Growe
Secretary of State

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FIRST SPECIAL SESSION 1981

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BILLS OF THE SENATE

FIRST SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	First Special Session, 1981 Laws, Chapter
1	<p>A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a non-controversial nature in the 1981 Regular Session; extending the availability of a certain appropriation; authorizing changing of certain precinct boundaries; abolishing the office of court referee and court commissioner; providing for the continuance of certain referee and court commissioner positions; defining "city" for the purpose of participation in municipal power agencies; extending the powers of a city to make loans under a municipal housing program; extending the availability of a certain appropriation; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.0413, Subdivision 3, as amended; 15.052, Subdivision 3, as amended; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671, 15.50, Subdivision 1; 15.61, Subdivision 2; 15A.081, Subdivision 1, as amended; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.68; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 56.19, Subdivision 1, as amended; 60A.11, Subdivision 7; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 124.11, Subdivisions 2a and 2b, as amended; 124.5624, Subdivision 3, as amended; 144.125; 144.653, Subdivision 4; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Sub-</p>	6	9	8, 8, 9a	10		18	20	4

BILLS OF THE SENATE—Continued.
FIRST SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	First Special Session, 1981 Laws Chapter
	<p>Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 484.70, Subdivision 1, as amended, and by adding subdivisions; 485.14; 487.08, Subdivisions 2 and 3; 489.01; 508.37, by adding a subdivision; 518.155; 518.66; 595.02, as amended; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; amending Laws enacted in the 1981 Regular Session styled as H. F. Nos. 182, Section 1, Subdivision 3, Section 2, and Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 553, Section 44, Subdivision 4, and Section 55, Subdivision 3; 900, Section 4; 1005, Section 21; 1125, Article II, Section 3, Subdivision 2a; 1421, Section 2, Subdivisions 1 and 6; 1434, Section 1, Section 2, Subdivision 4, Section 3, Section 4, Section 5, Subdivisions 1 and 4, and Section 6; 1443, Sections 1, 3, 6, 23, 28, 30, 32 and 377; 1446, Article I, Section 2, Subdivision 5, Section 7, Article II, Section 54; 1475, Section 4, Subdivision 4; S. F. Nos. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Laws 1980, Chapter 614, Section 163; Laws 1981, Chapters 29, Article IV, Section 14, Subdivision 5; 59, Section 10, Subdivision 1, Section 11, Subdivision 4, and Section 15, Subdivision 1; 82, by adding a section; 183, Section 2; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; 525.04; 508.37, Subdivision 1, Laws 1978, Chapter 750, Section 6; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8; laws enacted at the 1981 Regular Session styled as S. F. Nos. 359, Section 8; 876, Section 30, Subdivision 3; H. F. No. 1434, Sections 51 and 53; and H. F. No. 1443, Sections 181, 270, 271, and 358.</p>								

**BILLS OF THE SENATE—Continued.
FIRST SPECIAL SESSION 1981**

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	First Special Session, 1981 Laws, Chapter
2	A bill for an act relating to the financing of state government; authorizing a deficit in the first year of a biennium; amending Minnesota Statutes 1980, Section 16A.15, Subdivision 1, as amended.	8	8	8	8		18	20	5

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SENATE RECORD OF HOUSE BILLS

FIRST SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	First Special Session, 1981 Laws, Chapter
1	<p>A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin and the city of Brainerd to hold land for future development; increasing the rate of interest payable on delinquent taxes; limiting property tax refund payments to certain claimants; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; imposing a temporary increase in the sales tax; exempting sales of farm machinery from the increase; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; authorizing the refunding of certain special assess-</p>	11	13	13	13	13 16	15, 15	1

**BILLS OF THE HOUSE—Continued.
FIRST SPECIAL SESSION 1981**

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	First Special Session, 1981 Laws, Chapter
	<p>ments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; requiring notice of state bond sales; validating rules of the state board of assessors; providing for accrediting of certain assessors; eliminating unnecessary language concerning a property tax exemption for cheese; clarifying an occupation tax credit; providing for distribution of proceeds of the taconite production tax; providing for certain credits; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance projects located in the cities of New Brighton and Shoreview; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds; amending Minnesota Statutes 1980, Sections 16A.66, by adding a subdivision; 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47, 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.115, Subdivisions 1, 2, and 3; 273.116, Subdivisions 1 and 2; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2;</p>							

BILLS OF THE HOUSE—Continued.
FIRST SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	First Special Session, 1981 Laws, Chapter
	<p>275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d and 3g; 290.08, by adding a subdivision; 290.09, Subdivision 15; 290.17, Subdivision 2; 290.18, by adding a subdivision; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 297A.01, Subdivision 3 and by adding a subdivision; 297A.02; 297A.03, Subdivision 2; 297A.14; 297A.24; 297A.25, Subdivision 1; 297B.08; 297B.09; 298.031, Subdivisions 2 and 3; 298.225; 298.24, Subdivision 3; 298.28, Subdivisions 1 and 2; 298.75, Subdivisions 1, 2 and 3; 298.76; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 458.14; 473.626; 477A.03; and 477A.04, Subdivision 2; Laws 1975, Chapter 226, Section 4, as amended; Laws 1980, Chapter 607, Article V, Section 5, and Laws 1981, Chapters 356, Section 377; and 357, Section 5, Subdivision 6; proposing new law coded in Minnesota Statutes, Chapters 38; 273; and 477A; repealing Minnesota Statutes 1980, Sections 273.135, Subdivision 4; 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; 477A.01, and Laws 1981, Chapter 357, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98 and 99.</p>							
2	<p>A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; increasing foundation aid, transportation aid, and special education aid to school districts; increasing aid for scholarships and private college contracts; increasing medical assistance for nursing home residents and others; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; conforming income tax deductions for medical expenses to federal law; amending Minnesota Statutes 1980, Section 124.223, as amended; 124.225, Subdivision 6, as amended; 124.32, Subdivisions 1 and 1a, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5;</p>	14	14	15	15	16		2

**BILLS OF THE HOUSE—Continued.
FIRST SPECIAL SESSION 1981**

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	First Special Session, 1981 Laws. Chapter
	290.067, Subdivision 2; and 290.09, Subdivision 10; amending Laws 1981, Chapter 358, Article I, Section 21, Subdivision 1; Article I, Section 45; Article II, Section 15, Subdivision 2; and Chapter 360, Article II, Section 2.							
3	A bill for an act relating to the financing of state and local government; rescheduling certain payment dates; providing for deduction of federal income tax on the accrual basis; requiring declaration and estimated payment of gross earnings taxes by telephone and telegraph companies; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 15a; 273.136, Subdivision 3; 290.10; 290.18, Subdivision 2; 290.37, Subdivision 3; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 477A.13; proposing new law coded in Chapters 295, and 477A.	17	17	17	17	17		3

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SENATE BILLS BY AUTHOR FIRST SPECIAL SESSION 1981

	S. F. No.	Sp. Sess. Chap. No.		S. F. No.	Sp. Sess. Chap. No.
ASHBACH, ROBERT O. Deficit Spending	2*	S 5	KEEFE, JOHN B. Shift and Accrual Bill (H. F. 3)		H 3
HANSON, MARV Clean-up Bill	1*	S 4	WILLET, GERALD L. Supplemental Budget Bill (H. F. 2)		H 2
JOHNSON, DOUGLAS J. Deficit Spending	2	S 5			
Omnibus Tax Bill (H. F. 1)		H 1			

NOTE: The H or S preceding the chapter number indicates whether the House or Senate file was enacted.

*** after Senate file number indicates principal author.**

CHAPTERS FIRST SPECIAL SESSION 1981

Chapter Number	File Number	Chapter Number	File Number
1	HF 1	4	SF 1
2	HF 2	5	SF 2
3	HF 3		

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JOURNAL
OF THE
SENATE

STATE OF MINNESOTA

SEVENTY-SECOND LEGISLATURE

SECOND SPECIAL SESSION

1981

STATE OF MINNESOTA

Journal of the Senate

SECOND SPECIAL SESSION

FIRST DAY

St. Paul, Minnesota, Wednesday, July 1, 1981

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

CALL OF THE SENATE

Mr. Nelson imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Sister Michelle McGurran.

The Secretary called the roll by legislative districts in numerical order, and the following Senators answered to their names:

First District	Marv Hanson
Second District	Roger D. Moe
Third District	Bob Lessard
Fourth District	Gerald L. Willet
Fifth District	Ronald R. Dicklich
Sixth District	Douglas J. Johnson
Seventh District	Sam G. Solon
Eighth District	James Ulland
Ninth District	Keith Langseth
Tenth District	Collin C. Peterson
Eleventh District	Wayne Olhoft
Twelfth District	
Thirteenth District	Dave Rued
Fourteenth District	Florian Chmielewski
Fifteenth District	Charles A. Berg
Sixteenth District	Joe Bertram
Seventeenth District	James C. Pehler
Eighteenth District	Charles R. Davis
Nineteenth District	Randolph W. Peterson
Twentieth District	Randy P. Kamrath
Twenty-first District	A. O. H. Setzepfandt
Twenty-second District	John Bernhagen
Twenty-third District	Earl W. Renneke
Twenty-fourth District	Clarence M. Purfeerst
Twenty-fifth District	Steve Engler
Twenty-sixth District	Marion (Mike) Menning
Twenty-seventh District	Darrel L. Peterson
Twenty-eighth District	Dennis Frederickson
Twenty-ninth District	Glen Taylor

Thirtieth District	Timothy J. Penny
Thirty-first District	Tom A. Nelson
Thirty-second District	Mel Frederick
Thirty-third District	Nancy Brataas
Thirty-fourth District	Patricia Louise Kronebusch
Thirty-fifth District	Duane D. Benson
Thirty-sixth District	Robert J. Schmitz
Thirty-seventh District	Steve Lindgren
Thirty-eighth District	William V. Belanger, Jr.
Thirty-ninth District	Otto T. Bang, Jr.
Fortieth District	John B. Keefe
Forty-first District	
Forty-second District	George S. Pillsbury
Forty-third District	Jim Ramstad
Forty-fourth District	Hubert H. Humphrey, III
Forty-fifth District	William P. Luther
Forty-sixth District	Don Frank
Forty-seventh District	Gene Merriam
Forty-eighth District	Robert O. Ashbach
Forty-ninth District	Gregory L. Dahl
Fiftieth District	Jerome M. Hughes
Fifty-first District	Gerry Sikorski
Fifty-second District	Conrad M. Vega
Fifty-third District	
Fifty-fourth District	Carl W. Kroening
Fifty-fifth District	Anne K. Stokowski
Fifty-sixth District	Robert J. Tennesen
Fifty-seventh District	
Fifty-eighth District	Eric D. Petty
Fifty-ninth District	Linda Berglin
Sixtieth District	Jack Davies
Sixty-first District	Franklin J. Knoll
Sixty-second District	Neil Dieterich
Sixty-third District	Ron Sieloff
Sixty-fourth District	
Sixty-fifth District	Donald M. Moe
Sixty-sixth District	Gene Waldorf
Sixty-seventh District	Marilyn M. Lantry

The President declared a quorum present.

STATE OF MINNESOTA

PROCLAMATION

WHEREAS: The Legislature has established by law a schedule of aid payments by the State of Minnesota to local units of government and local school districts which will require the state to expend funds in excess of the cash on hand available at certain times during the coming biennium; and

WHEREAS: The authority of the State of Minnesota to engage in short-term borrowing to meet its financial obligations during these periods of cash shortage is insufficient to permit the state to meet these obligations in a timely manner; and

WHEREAS: It is necessary to provide state government with the financial management tools to enable it to meet its financial obligations prior to the next regular Session of the Legislature and in future years, thereby creating an extraordinary occasion; and

WHEREAS: Article IV, Section 12 of the Constitution of the State of Minnesota provides that a Special Session of the Legislature may be called on extraordinary occasions;

NOW, THEREFORE, I, Albert H. Quie, Governor of the State of Minnesota, do hereby summon you, members of the Legislature, to convene in Special Session on Wednesday, July 1, 1981, at 10:00 a.m. in the forenoon at the Capitol in Saint Paul.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed this twenty-fifth day of June in the year of our Lord one thousand nine hundred eighty-one and of the State the one hundred twenty-third.

Albert H. Quie,
Governor

Joan Anderson Grove,
Secretary of State

MEMBERS EXCUSED

Messrs. Wegener, Stern, Knutson, Spear, and Stumpf were excused from the Session of today. Mr. Tennesen was excused from the Session of today from 4:00 to 5:45 p.m.

RECESS

Mr. Moe, R. D. moved that the Senate do now recess until 11:45 a.m. The motion prevailed.

The hour of 11:45 a.m. having arrived, the President called the Senate to order.

RECESS

Mr. Moe, R. D. moved that the Senate do now recess until 2:15 p.m. The motion prevailed.

The hour of 2:15 p.m. having arrived, the President called the Senate to order.

MOTIONS AND RESOLUTIONS

Mr. Moe, R.D. introduced—

Senate Resolution No.1: A Senate resolution relating to organization and operation of the Senate during the second Special Session.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Senate is organized pursuant to Minnesota Statutes 1980, Sections 3.073 and 3.103.

The Rules of the Senate for the 72nd Legislature shall be the Rules for the second Special Session, except that Rules 33, 40 and 57 shall not be operative other than as provided herein.

The Committee on Rules and Administration is established in the same manner and with the same powers as pertained in the 72nd Legislature.

With respect to Rule 31, Reconsideration, a notice of intention to move for reconsideration shall not be in order, but a motion to reconsider may be made, and when made shall have priority over other business except a motion to adjourn.

Mr. Moe, R.D. 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 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davis	Keefe	Moe, R. D.	Rued
Bang	Dicklich	Knoll	Nelson	Schmitz
Belanger	Dieterich	Kroening	Pehler	Setzepfandt
Benson	Engler	Kronebusch	Penny	Sieloff
Berg	Frank	Langseth	Peterson, C. C.	Sikorski
Bernhagen	Frederickson	Lantry	Peterson, D. L.	Stokowski
Bertram	Hanson	Lessard	Peterson, R. W.	Taylor
Brataas	Hughes	Lindgren	Petty	Tennessen
Chmielewski	Humphrey	Luther	Pillsbury	Ulland
Dahl	Johnson	Merriam	Ramstad	Waldorf
Davies	Kamrath	Moe, D. M.	Renneke	Willet

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced—

Senate Resolution No. 2: A Senate resolution relating to notifying the House of Representatives and the Governor that the Senate is organized.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Secretary of the Senate shall notify the House of Representatives and the Governor that the Senate is now duly organized pursuant to the Minnesota Constitution and Minnesota Statutes.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

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 of Representatives of the State of Minnesota is now duly organized for the 1981 Second Special Session pursuant to law.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted July 1, 1981

Without objection, the Senate proceeded 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.

Messrs. Penny, Taylor, Dieterich, Frederickson and Petty introduced—

S.F. No. 1: A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

Mr. Moe, R.D. moved that S.F. No. 1 be laid on the table. The motion prevailed.

Messrs. Pillsbury, Berg and Renneke introduced—

S.F. No. 2: A bill for an act relating to congressional districts; apportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; and 2.801.

Mr. Moe, R.D. moved that S.F. No. 2 be laid on the table. The motion prevailed.

Mr. Waldorf introduced—

S.F. No. 3: A bill for an act relating to insurance; directing the commissioner of public safety to promulgate rules regarding mandatory vehicle insurance; amending Minnesota Statutes 1980, Section 65B.68, by adding a subdivision.

Mr. Moe, R.D. moved that S.F. No. 3 be laid on the table. The motion prevailed.

Mr. Waldorf introduced—

S.F. No. 4: A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.

Mr. Moe, R.D. moved that S.F. No. 4 be laid on the table. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 3:30 p.m. The motion prevailed.

The hour of 3:30 p.m. having arrived, the President called the Senate to order.

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 1981 Second Special Session House File, herewith transmitted: H.F. No. 1.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted July 1, 1981

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1: A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

SUSPENSION OF RULES

Mr. Moe, R.D. 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. 1 and that the rules of the Senate be so far suspended as to give H. F. No. 1 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1 was read the second time.

Mr. Moe, R. D. moved to amend H.F. No. 1 as follows:

Page 4, line 25, delete "\$440,000,000" and insert "\$100,000,000"

Page 7, lines 21 and 22, delete "January 1, 1982" and insert "December 1, 1981"

Page 7, line 22, after "to" insert "the governor;"

Page 7, line 29, after "reduce" insert "below the level of \$440,000,000, currently estimated to be needed for fiscal year 1983,"

Page 7, line 30, delete "in subsequent biennial budgets"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 20, as follows:

Those who voted in the affirmative were:

Berglin	Davis	Hanson	Knoll	Lantry
Bertram	Dicklich	Hughes	Kroening	Lessard
Dahl	Dieterich	Humphrey	Kronebusch	Lindgren
Davies	Frank	Johnson	Langseth	Luther

Menning	Olhoff	Petty	Sieloff	Vega
Merriam	Pehler	Purfeerst	Sikorski	Waldorf
Moe, D.M.	Penny	Schmitz	Solon	Willet
Moe, R.D.	Peterson, C.C.	Setzepfandt	Stokowski	
Nelson	Peterson, R.W.			

Those who voted in the negative were:

Ashbach	Berg	Engler	Keefe	Renneke
Bang	Bernhagen	Frederick	Peterson, D.L.	Rued
Belanger	Brataas	Frederickson	Pillsbury	Taylor
Benson	Chmielewski	Kamrath	Ramstad	Ulland

The motion prevailed. So the amendment was adopted.

H. F. No. 1 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 19 and nays 43, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Johnson	Moe, R.D.	Solon
Bang	Frederick	Luther	Nelson	Vega
Berglin	Hanson	Menning	Peterson, C.C.	Waldorf
Brataas	Hughes	Moe, D.M.	Schmitz	

Those who voted in the negative were:

Belanger	Dieterich	Kronebusch	Peterson, D.L.	Sieloff
Benson	Engler	Langseth	Peterson, R.W.	Sikorski
Berg	Frank	Lantry	Petty	Stokowski
Bernhagen	Frederickson	Lessard	Pillsbury	Taylor
Bertram	Humphrey	Lindgren	Purfeerst	Tennessee
Dahl	Kamrath	Merriam	Ramstad	Ulland
Davies	Keefe	Olhoff	Renneke	Willet
Davis	Knoll	Pehler	Rued	
Dicklich	Kroening	Penny	Setzepfandt	

So the bill, as amended, failed to pass.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Thursday, July 2, 1981. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SECOND SPECIAL SESSION

SECOND DAY

St. Paul, Minnesota, Thursday, July 2, 1981

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Winfield V. Johnson.

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

Ashbach	Dicklich	Kroening	Pehler	Sikorski
Bang	Dieterich	Kronebusch	Penny	Solon
Belanger	Engler	Langseth	Peterson, C.C.	Stokowski
Benson	Frank	Lantry	Peterson, D.L.	Taylor
Berg	Frederick	Lessard	Peterson, R.W.	Tennessee
Berglin	Frederickson	Lindgren	Petty	Ulland
Bernhagen	Hanson	Luther	Purfeerst	Vega
Bertram	Hughes	Menning	Ramstad	Waldorf
Brataas	Humphrey	Merriam	Renneke	Wegener
Chmielewski	Johnson	Moe, D.M.	Rued	Willet
Dahl	Kamrath	Moe, R.D.	Schmitz	
Davies	Keefe	Nelson	Setzepfandt	
Davis	Knoll	Olhoft	Sieloff	

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. Knutson, Pillsbury, Spear, Stern and Stumpf were excused from the Session of today. Mr. Lessard was excused from the Session of today from 11:15 a.m. to 1:30 p.m. Mr. Knoll was excused from the Session of today from 11:30 a.m. to noon. Mr. Olhoft was excused from the Session of today from 3:30 to 4:10 p.m.

MOTIONS AND RESOLUTIONS

RECONSIDERATION

Mr. Sikorski moved that the vote whereby H. F. No. 1 failed to pass the Senate on July 1, 1981, be now reconsidered. The motion prevailed.

H.F. No. 1: A bill for an act relating to the financing of state government;

clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

Mr. Sieloff moved to amend H.F. No. 1 as follows:

Page 7, after line 26, insert:

“Sec. 7. [REDUCTION OF APPROPRIATIONS.]

Notwithstanding any other law to the contrary, any and all appropriations and any line items thereof from the general fund shall, in addition to any other reductions, limitations, cancellations, or abatements required or authorized by law, be reduced by two percent thereof with respect to amounts expended or to be expended from and after January 1, 1982. This does not apply to repayments or payments to any sinking fund for bonds, certificates of indebtedness, and other contractual obligations, nor shall it apply in any case it would cause any violation of federal law or impairment of obligation of contract by or with the state of Minnesota.”

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Bertram	Keefe	Ramstad	Ulland
Bang	Brataas	Kronebusch	Renneke	Waldorf
Belanger	Engler	Lindgren	Rued	
Benson	Frederick	Olhoft	Schmitz	
Berg	Frederickson	Peterson,C.C.	Sieloff	
Bernhagen	Kamrath	Peterson,D.L.	Taylor	

Those who voted in the negative were:

Berglin	Frank	Langseth	Nelson	Sikorski
Chmielewski	Hanson	Lantry	Pehler	Solon
Dahl	Hughes	Luther	Penny	Stokowski
Davies	Humphrey	Menning	Peterson,R.W.	Tennessee
Davis	Johnson	Merriam	Petty	Vega
Dicklich	Knoll	Moe, D. M.	Purfeerst	Wegener
Dieterich	Kroening	Moe, R. D.	Setzepfandt	Willet

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

H.F. No. 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 37 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Knoll	Nelson	Solon
Bang	Frank	Kroening	Peterson, C.C.	Stokowski
Berglin	Frederick	Lantry	Petty	Vega
Bertram	Hanson	Lessard	Purfeerst	Waldorf
Brataas	Hughes	Luther	Renneke	Wegener
Chmielewski	Humphrey	Menning	Schmitz	
Dahl	Johnson	Moe, D. M.	Setzepfandt	
Davis	Keefe	Moe, R. D.	Sikorski	

Those who voted in the negative were:

Belanger	Dieterich	Langseth	Penny	Taylor
Benson	Engler	Lindgren	Peterson, R. W.	Tennessee
Berg	Frederickson	Merriam	Ramstad	Ulland
Bernhagen	Kamrath	Olhoff	Rued	Willet
Davies	Kronebusch	Pehler	Sieloff	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Knoll introduced—

Senate Resolution No. 3: A Senate resolution congratulating Maureen Neerland for her recovery from cancer and the example she has provided to all Minnesotans.

Referred to the Committee on Rules and Administration.

Mr. Frederickson introduced—

Senate Resolution No. 4: A Senate resolution congratulating the Indians team from Sleepy Eye Public High School for winning the 1981 Class A State High School Baseball Championship.

Referred to the Committee on Rules and Administration.

Mr. Knoll introduced—

Senate Resolution No. 5: A Senate resolution extending congratulations to Leo and Dolly DeSouza on receiving American citizenship.

Referred to the Committee on Rules and Administration.

Without objection, the Senate proceeded 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.

Ms. Berglin introduced—

S.F. No. 5: A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI,

Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.

Mr. Moe, R.D. moved that S.F. No. 5 be laid on the table. The motion prevailed.

Mr. Langseth introduced—

S.F. No. 6: A bill for an act relating to local government; providing that Clay county may levy a gravel tax of up to ten cents per cubic yard; amending Laws 1961, Chapter 605, Section 1.

Mr. Moe, R.D. moved that S.F. No. 6 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 House Files, herewith transmitted: H.F. Nos. 2, 3, 7 and 8.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted July 2, 1981

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 2: A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

Mr. Moe, R.D. moved that H.F. No. 2 be laid on the table. The motion prevailed.

H.F. No. 3: A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.

Mr. Moe, R.D. moved that H.F. No. 3 be laid on the table. The motion prevailed.

H.F. No. 7: A bill for an act relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare, and corrections appropriations bill; amending Laws 1981, Chapter 360, Section 3.

Mr. Moe, R.D. moved that H.F. No. 7 be laid on the table. The motion prevailed.

H.F. No. 8: A bill for an act relating to financial institutions; excepting open

end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.

Mr. Moe, R.D. moved that H.F. No. 8 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Waldorf moved that H.F. No. 8 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Waldorf 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. 8 and that the rules of the Senate be so far suspended as to give H. F. No. 8 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 8 was read the second time.

H.F. No. 8: A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, 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 59 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kroening	Olhoft	Setzepfandt
Bang	Dieterich	Kronebusch	Peהלer	Sieloff
Belanger	Engler	Langseth	Penny	Sikorski
Berg	Frank	Lantry	Peterson, C. C.	Stokowski
Berglin	Frederick	Lessard	Peterson, D. L.	Taylor
Bernhagen	Frederickson	Lindgren	Peterson, R. W.	Tennessee
Bertram	Hanson	Luther	Petty	Ulland
Brataas	Hughes	Menning	Purfeerst	Vega
Chmielewski	Johnson	Merriam	Ramstad	Waldorf
Dahl	Kamrath	Moe, D. M.	Renneke	Wegener
Davis	Keefe	Moe, R. D.	Rued	Willet
Davis	Knoll	Nelson	Schmitz	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that H.F. No. 3 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Ms. Berglin 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. 3 and that the rules of the Senate be so far suspended as to give H. F. No. 3 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 3: A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.

H. F. No. 3 was read the second time.

Mr. Frederick moved to amend H.F. No. 3 as follows:

Page 2, line 18, after "one" insert "or which has a general city election before March 15 in a year ending in two"

The motion prevailed. So the amendment was adopted.

Ms. Berglin moved that H.F. No. 3 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Langseth moved that S.F. No. 6 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Langseth moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 6 and that the rules of the Senate be so far suspended as to give S. F. No. 6 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 6 was read the second time.

S.F. No. 6: A bill for an act relating to local government; providing that Clay county may levy a gravel tax of up to ten cents per cubic yard; amending Laws 1961, Chapter 605, 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 56 and nays 2, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Kroening	Penny	Sikorski
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Solon
Benson	Engler	Langseth	Peterson, D.L.	Stokowski
Berg	Frank	Lantry	Peterson, R.W.	Tennessen
Berglin	Frederick	Lindgren	Petty	Vega
Bernhagen	Frederickson	Luther	Purfeerst	Waldorf
Bertram	Hanson	Menning	Ramstad	Wegener
Brataas	Hughes	Merriam	Renneke	Willert
Chmielewski	Humphrey	Moe, R. D.	Rued	
Dahl	Johnson	Nelson	Schmitz	
Davies	Kamrath	Olhoft	Setzepfandt	
Davis	Keefe	Pepler	Sieloff	

Messrs. Ashbach and Ulland voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Sikorski moved that H.F. No. 7 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Sikorski 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. 7 and that the rules of the Senate be so far suspended as to give H. F. No. 7 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 7 was read the second time.

H.F. No. 7: A bill for an act relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare, and corrections appropriations bill; amending Laws 1981, Chapter 360, Section 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 58 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Dicklich	Kroening	Penny	Sikorski
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Solon
Benson	Engler	Langseth	Peterson, D.L.	Stokowski
Berg	Frank	Lantry	Peterson, R.W.	Taylor
Berglin	Frederick	Lindgren	Petty	Tennessee
Bernhagen	Frederickson	Luther	Purfeerst	Ulland
Bertram	Hanson	Menning	Ramstad	Vega
Brataas	Hughes	Merriam	Renneke	Waldorf
Chmielewski	Humphrey	Moe, R. D.	Rued	Wegener
Dahl	Johnson	Nelson	Schmitz	Willet
Davies	Kamrath	Olhofi	Setzepfandt	
Davis	Keefe	Pehler	Sieloff	

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 refuses to concur in the Senate amendments to the following House File:

H.F. No. 1: A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon

and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Eken, Tomlinson, Brandl, Sherwood and Nelsen, B. have been appointed as such committee on the part of the House.

House File No. 1 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 July 2, 1981

Mr. Moe, R.D. moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1, 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.

RECESS

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

H. F. No. 1: Messrs. Moe, R.D.; Hanson; Waldorf; Ashbach and Bang.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

Without objection, the Senate proceeded 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.

Mr. Luther introduced—

S.F. No. 7: A bill for an act relating to corporations; establishing filing fees for certain filings with the secretary of state; amending Minnesota Statutes 1980, Section 301.511, Subdivision 2.

Mr. Moe, R.D. moved that S.F. No. 7 be laid on the table. The motion

prevailed.

Mr. Sieloff introduced—

S.F. No. 8: A bill for an act relating to judicial procedures; providing an effective date for certain changes in provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children.

Mr. Moe, R.D. moved that S.F. No. 8 be laid on the table. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 3:30 p.m. The motion prevailed.

The hour of 3:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Without objection, the Senate proceeded 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.

Mr. Hughes introduced—

S.F. No. 9: A bill for an act relating to the city of Maplewood; authorizing the use of industrial revenue bonds to finance certain projects located in the city.

Mr. Moe, R.D. moved that S.F. No. 9 be laid on the table. The motion prevailed.

Messrs. Tennesen, Petty, Ashbach, Merriam and Peterson, R.W. introduced—

S.F. No. 10: A bill for an act relating to the operation of state government; creating a dedicated reserve fund; delaying tax adjustments; providing for a report on expenditure reduction; appropriating money; amending Minnesota Statutes 1980, Sections 290.06, Subdivisions 2d, as amended, and 3g, as amended; 290.09, Subdivision 15, as amended; 290.18, as amended; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Laws 1981, Special Session, Chapter 1, Article 1, Section 5.

Mr. Moe, R.D. moved that S. F. No. 10 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Waldorf moved that H.F. No. 8 be recalled from the House of Repre-

sentatives for further consideration. The motion prevailed.

Mr. Sieloff moved that S.F. No. 8 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Sieloff moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 8 and that the rules of the Senate be so far suspended as to give S. F. No. 8 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 8 was read the second time.

S.F. No. 8: A bill for an act relating to judicial procedures; providing an effective date for certain changes in provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children.

Was read the third time 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	Dicklich	Kronebusch	Penny	Sikorski
Bang	Dieterich	Langseth	Peterson, C.C.	Solon
Belanger	Engler	Lantry	Peterson, D.L.	Stokowski
Benson	Frank	Lessard	Peterson, R.W.	Taylor
Berg	Frederick	Lindgren	Petty	Tennesen
Berglin	Frederickson	Luther	Purfeerst	Ulland
Bernhagen	Hanson	Menning	Ramstad	Vega
Bertram	Hughes	Merriam	Renneke	Waldorf
Chmielewski	Humphrey	Moe, D. M.	Rued	Wegener
Dahl	Johnson	Moe, R. D.	Schmitz	Willet
Davies	Kamrath	Nelson	Setzepfandt	
Davis	Knoll	Pehler	Sieloff	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Penny moved that H.F. No. 2 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Penny 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. 2 and that the rules of the Senate be so far suspended as to give H. F. No. 2 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 2 was read the second time.

H.F. No. 2: A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

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

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Langseth	Peterson, C.C.	Stokowski
Belanger	Engler	Lantry	Peterson, D.L.	Taylor
Benson	Frank	Lessard	Peterson, R.W.	Tennessen
Berg	Frederick	Lindgren	Petty	Ulland
Berglin	Frederickson	Luther	Purfeerst	Vega
Bernhagen	Hanson	Menning	Ramstad	Waldorf
Bertram	Hughes	Merriam	Renneke	Wegener
Chmielewski	Humphrey	Moe, D.M.	Rued	Willet
Dahl	Johnson	Moe, R.D.	Schmitz	
Davies	Kamrath	Nelson	Setzepfandt	
Davis	Knoll	Pehler	Sikorski	
Dicklich	Kronebusch	Penny	Solon	

So the resolution passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that H.F. No. 3 be taken from the table. The motion prevailed.

H.F. No. 3: A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 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 43 and nays 16, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kroening	Penny	Sikorski
Bang	Frederick	Kronebusch	Peterson, C.C.	Solon
Belanger	Frederickson	Langseth	Peterson, R.W.	Stokowski
Berglin	Hanson	Lantry	Ramstad	Vega
Bernhagen	Hughes	Luther	Renneke	Waldorf
Chmielewski	Humphrey	Menning	Rued	Wegener
Davies	Johnson	Moe, D.M.	Schmitz	Willet
Dicklich	Kamrath	Moe, R.D.	Setzepfandt	
Dieterich	Knoll	Nelson	Sieloff	

Those who voted in the negative were:

Benson	Davis	Lindgren	Peterson, D.L.	Taylor
Berg	Frank	Merriam	Petty	Tennessen
Bertram	Lessard	Pehler	Purfeerst	Ulland
Dahl				

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Luther moved that S.F. No. 7 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Luther moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 7 and that the rules of the Senate be so far suspended as to give S. F. No. 7 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 7 was read the second time.

S.F. No. 7: A bill for an act relating to corporations; establishing filing fees for certain filings with the secretary of state; amending Minnesota Statutes 1980, Section 301.511, 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 55 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Kronebusch	Pehler	Sieloff
Bang	Engler	Langseth	Penny	Sikorski
Belanger	Frank	Lantry	Peterson, C. C.	Solon
Benson	Frederick	Lessard	Peterson, D. L.	Stokowski
Berg	Frederickson	Lindgren	Peterson, R. W.	Taylor
Berglin	Hanson	Luther	Petty	Tennessen
Bernhagen	Hughes	Menning	Ramstad	Ulland
Bertram	Humphrey	Merriam	Renneke	Vega
Chmielewski	Johnson	Moe, D. M.	Rued	Waldorf
Dahl	Kamrath	Moe, R. D.	Schmitz	Wegener
Davies	Knoll	Nelson	Setzpfandt	Willet

Messrs. Davis, Dieterich, Kroening and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 5:30 p.m. The motion prevailed.

The hour of 5:30 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Sikorski imposed a call of the Senate. 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 accedes to the request of the

Senate for the return of the following bill for further consideration by the Senate:

H.F. No. 8: A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted July 2, 1981

RECONSIDERATION

Mr. Waldorf moved that the vote whereby H. F. No. 8 was passed by the Senate on July 2, 1981, be now reconsidered. The motion prevailed.

Mr. Waldorf moved to amend H.F. No. 8 as follows:

Page 1, after line 18, insert:

“Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment.”

The motion prevailed. So the amendment was adopted.

H.F. No. 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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dicklich	Lessard	Peterson, C.C.	Sikorski
Bang	Dieterich	Lindgren	Peterson, D.L.	Stokowski
Belanger	Engler	Luther	Peterson, R.W.	Taylor
Benson	Frank	Menning	Petty	Tennessen
Berg	Frederickson	Merriam	Purfeerst	Ulland
Berglin	Hughes	Moe, D. M.	Ramstad	Vega
Bertram	Keefe	Moe, R. D.	Renneke	Waldorf
Chmielewski	Knoll	Nelson	Rued	Wegener
Dahl	Kroening	Othoft	Schmitz	Willet
Davies	Kronebusch	Pehler	Setzepfandt	
Davis	Lantry	Penny	Sieloff	

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 1981 Second Special Session Senate File, herewith returned:

S.F. No. 7: A bill for an act relating to corporations; establishing filing fees for certain filings with the secretary of state; amending Minnesota Statutes 1980, Section 301.511, Subdivision 2.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned July 2, 1981

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. 8: A bill for an act relating to judicial procedures; providing an effective date for certain changes in provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children.

Senate File No. 8 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned July 2, 1981

CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S. F. No. 8 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 8 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	Davis	Knoll	Olhoft	Setzepfandt
Bang	Dicklich	Kroening	Pehler	Sieloff
Belanger	Dieterich	Kronebusch	Penny	Sikorski
Benson	Engler	Lantry	Peterson, C. C.	Solon
Berg	Frank	Lessard	Peterson, D. L.	Stokowski
Berglin	Frederick	Lindgren	Peterson, R. W.	Taylor
Bernhagen	Frederickson	Luther	Petty	Tennessee
Bertram	Hanson	Menning	Purfeerst	Ulland
Brataas	Hughes	Merriam	Ramstad	Vega
Chmielewski	Johnson	Moe, D. M.	Renneke	Waldorf
Dahl	Kamrath	Moe, R. D.	Rued	Wegener
Davies	Keefe	Nelson	Schmitz	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 adopted the recommendation and report of the Conference Committee on House File No. 1 and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted July 2, 1981

CONFERENCE COMMITTEE REPORT ON SECOND SPECIAL SESSION H. F. No. 1

A bill for an act relating to the financing of state government; clarifying fee

adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

July 2, 1981

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

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that Second Special Session H.F. No. 1 be further amended as follows:

Page 2, after line 7, insert:

“Sec. 2. [16A.1531] [BUDGET RESERVE ACCOUNT.]

The commissioner of finance, at the close of the state's accounts for the second fiscal year of each biennium, shall transfer to a budget reserve account in the state treasury the amount by which the unrestricted balance in the general fund exceeds \$25,000,000, up to \$100,000,000. Thereafter, one-half of the remainder of the unrestricted balance shall be transferred until the balance in the budget reserve account equals 2-1/2 percent of appropriations from the general fund for the current biennium.

Sec. 3. Minnesota Statutes 1980, Section 16A.15, Subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] In case the commissioner of finance shall discover at any time that the probable receipts from taxes or other sources for any appropriation, fund, or item will be less than was anticipated, and that consequently the amount available for the remainder of the term of the appropriation or for any allotment period will be less than the amount estimated or allotted therefor, he shall, with the approval of the governor, and after notice to the agency concerned, *either*:

(a) *after consultation with the legislative advisory commission created by section 3.30, transfer from the budget reserve account established in section 2, to the general fund the amount necessary to balance revenue and expenditures;*

(b) *reduce the amount allotted or to be allotted so as to prevent a deficit; or*

(c) *make any combination of transfers and reductions as provided by clauses (a) and (b).*

In like manner he shall request reduction of the amount allotted or to be allotted to any agency by the amount of any saving which can be effected upon previous spending plans through a reduction in prices or other cause.”

Page 4, line 24, delete "*in the fiscal year*"

Page 4, delete line 25

Page 4, line 26, delete "*thereafter*"

Page 7, after line 3, insert:

"Sec. 6. Minnesota Statutes 1980, Section 273.13, Subdivision 15a, as amended by Laws 1981, Special Session Chapter 3, Section 1, is amended to read:

Subd. 15a. [GENERAL FUND, REPLACEMENT OF REVENUE.] (1) Payment from the general fund shall be made, as provided herein, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in subdivisions 6, 7, and 14a.

(2) Each county auditor shall certify, not later than May 1 of each year commencing in 1968 to the commissioner of revenue the amount of reduction resulting from subdivisions 6 and 7 in his county, and not later than May 1 of each year commencing in 1970, the amount of reduction resulting from subdivision 14a. In 1975 and subsequent years, this certification 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.

(3) Based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall annually determine the taxing district distribution of the amounts certified under clause (2). On or before July 15, 1981, and each year thereafter, the commissioner of revenue shall pay to each taxing district, *other than school districts*, one-sixth of its total payment for the year. The remaining five-sixths shall be paid in equal installments on or before August 15, September 15, October 15, November 15, and December 15, 1981, and each year thereafter. *By July 15, 1982, and each year thereafter, the commissioner of revenue shall pay to each school district one-half of its total payment for the year. The remaining one-half shall be paid by January 15, 1983, and each year thereafter.*

Page 7, line 18, before "*revenue*" insert "*or*"

Page 7, line 18, delete "*, or adoption of a*"

Page 7, line 19, delete "*budget stabilization reserve account*"

Page 7, lines 21 and 22, delete "*January 1, 1982*" and insert "*December 1, 1981*"

Page 7, line 22, after "*to*" insert "*the governor,*"

Page 7, line 29, delete "*reduce*" and insert "*eliminate*"

Page 7, after line 30, insert:

"Sec. 11. [BUDGET REVIEW CONTINUED.]

The 72nd legislature reaffirms its commitment made in Laws 1981, Special Session Chapter 2, Section 18, to continue to review the 1982-83 state budget during the interim between the 1981 and 1982 sessions in order to find cost

savings to further reduce expenditures in the biennium budget."

Page 7, delete line 32 and insert "*Sections 1 to 5 and 7 to 11 are effective the day following final enactment. Section 6 is effective July 1, 1982.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "creating a budget reserve account;"

Page 1, line 10, after the semicolon insert "changing dates for making homestead credit payments to school districts;"

Page 1, line 13, delete ", and" and insert "; 16A.15, Subdivision 1, as amended;"

Page 1, line 13, after "16A.275;" insert "and 273.13, Subdivision 15a, as amended;"

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

House Conferees: (Signed) Willis R. Eken, John D. Tomlinson, John E. Brandl, Glen A. Sherwood, Bruce G. Nelsen

Senate Conferees: (Signed) Roger D. Moe, Marv Hanson, Gene Waldorf, Robert O. Ashbach, Otto T. Bang, Jr.

Mr. Moe, R.D. moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1 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. Moe, R. D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

H.F. No. 1: A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; creating a budget reserve account; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; changing dates for making homestead credit payments to school districts; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended; 16A.15, Subdivision 1, as amended; 16A.275; and 273.13, Subdivision 15a, as amended; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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 28, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Kronebusch	Moe, R. D.	Setzpfandt
Bang	Frederick	Langseth	Nelson	Sikorski
Berglin	Frederickson	Lantry	Peterson, C. C.	Solon
Bernhagen	Hanson	Lessard	Petty	Ulland
Brataas	Humphrey	Luther	Ramstad	Waldorf
Chmielewski	Johnson	Menning	Renneke	Wegener
Dahl	Keefe	Moe, D. M.	Rued	

Those who voted in the negative were:

Belanger	Dicklich	Kroening	Peterson, D. L.	Taylor
Benson	Engler	Lindgren	Peterson, R. W.	Tennesen
Berg	Frank	Merriam	Purfeerst	Vega
Bertram	Hughes	Olhoft	Schmitz	Willet
Davis	Kamrath	Pehler	Sieloff	
Davis	Knoll	Penny	Stokowski	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. introduced—

Senate Resolution No. 6: A Senate resolution relating to adjournment of the 1981 second Special Session.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The Secretary of the Senate shall notify the Governor and the House of Representatives that the Senate is about to adjourn the second Special Session sine die.

The Secretary of the Senate may correct and approve the Journal of the Senate for the second Special Session of 1981.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

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 of Representatives is about to adjourn the 1981 Second Special Session sine die.

Edward A. Burdick, Chief Clerk, House of Representatives

July 2, 1981

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that the Senate do now adjourn sine die. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

COMMUNICATIONS RECEIVED SUBSEQUENT TO ADJOURNMENT

EXECUTIVE AND OFFICIAL COMMUNICATIONS

July 7, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1981 Second Special 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.	Second Special Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	1	1	July 2	July 6

Sincerely,
Joan Anderson Growe
Secretary of State

July 9, 1981

The Honorable Jack Davies
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, Second Special Session Senate File Nos. 7 and 8.

Sincerely,
Albert H. Quie, Governor

July 9, 1981

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

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 Second Special Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Second Special Session Laws Chapter No.	Date Approved 1981	Date Filed 1981
	2	Resolution 1	July 8	July 9
	3	2	July 8	July 9
	7	3	July 8	July 9
	8	4	July 8	July 9
7		5	July 8	July 9
8		6	July 8	July 9

Sincerely,
Joan Anderson Growe
Secretary of State

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BILLS OF THE SENATE SECOND SPECIAL SESSION 1981

S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Second Special Session, 1981 Laws, Chapter
1	A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.	7		7 (See H 2)					
2	A bill for an act relating to congressional districts; apportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; and 2.801.	7		7					
3	A bill for an act relating to insurance; directing the commissioner of public safety to promulgate rules regarding mandatory vehicle insurance; amending Minnesota Statutes 1980, Section 65B.68, by adding a subdivision.	7		7					
4	A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.	7		7 (See H 8)					
5	A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.	12		13 (See H 3)					
6	A bill for an act relating to local government; providing that Clay county may levy a gravel tax of up to ten cents per cubic yard; amending Laws 1961, Chapter 605, Section 1.	13	15	13, 15	15				
7	A bill for an act relating to corporations; establishing filing fees for certain filings with the secretary of state; amending Minnesota Statutes 1980, Section 301.511, Subdivision 2.	17	21	17, 20	21		22	28	5
8	A bill for an act relating to judicial procedures; providing an effective date for certain changes in provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children.	18	19	18, 19	19 23	23	23	28	6
9	A bill for an act relating to the city of Maplewood; authorizing the use of industrial revenue bonds to finance certain projects located in the city.	18		18					
10	A bill for an act relating to the operation of state government; creating a	18		18					

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BILLS OF THE SENATE—Continued.
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S. F. No.	TITLE	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Returned from House	Approved	Second Special Session, 1981 Laws Chapter
	<p>dedicated reserve fund; delaying tax adjustments; providing for a report on expenditure reduction; appropriating money; amending Minnesota Statutes 1980, Sections 290.06, Subdivisions 2d, as amended, and 3g, as amended; 290.09, Subdivision 15, as amended; 290.18, as amended; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Laws 1981, Special Session, Chapter 1, Article 1, Section 5.</p>								

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SENATE RECORD OF HOUSE BILLS SECOND SPECIAL SESSION 1981

H. F. No.	TITLE	Received from House	First Reading and Reference	Second Reading	Other Proceedings	Third Reading	Subsequent Proceedings	Second Special Session, 1981 Laws, Chapter
1	A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; creating a budget reserve account; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; changing dates for making homestead credit payments to school districts; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended; 16A.15, Subdivision 1, as amended; 16A.275; and 273.13, Subdivision 15a, as amended; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67, 268.15, Subdivision 4, 352.04, Subdivision 10; 352B.061; and 354.61	8	8	8	8, 8a	9 11 26	10, 16, 23*	1
2	A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.	13	13	19	13, 19	19		Res. 1
3	A bill for an act relating to elections; correcting provisions for registration prior to election day; for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended, and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.	13	13	15	13, 14, 15a, 20	20		2
7	A bill for an act relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare, and corrections appropriations bill; amending Laws 1981, Chapter 360, Section 3.	13	13	16	13, 16	16		3
8	A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.	13	13	14	14	14 22	18, 22a	4

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3	HF 7	Res. 1	HF 2
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BERG, CHARLES A. Congressional District Reapportionment	2		PETTY, ERIC D. Dedicated Reserve Fund	10	
BERGLIN, LINDA Elections	5*	H 2	Federal Disaster Aid	1	H Res. 1
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FREDERICKSON, DENNIS R. Federal Disaster Aid	1	H Res. 1	RENNEKE, EARL W. Congressional District Reapportionment	2	
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